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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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The Nation's Business

Ottawa Stalls on Reparations

Likely No Action This Session

Maritime Industrialist Defends Trade Pact with Antipodes

NOTWITHSTANDING the fact that Hon. J. A. Robb, minister of finance, holds in the treasury more reparation funds than are needed to pay off all claims of Canadian citizens who sustained injury during the war, there is a real danger that he will permit another session of parliament to pass by without seeking authority to disburse these monies.

Royal commissions have been busily engaged in sifting the claims for reparations for several years and finally this work has been completed. The justifiable claims of Canadians reach a capital sum of approximately $3,000,000 and if 7 per cent. interest is allowed on this sum from the signing of the treaty of peace until the present time, the total will reach to about $7,000,000. All of these claims except about a dozen are for less than $50,000.

To pay these claims, the Canadian government already has received more than $11,000,000 from Germany on reparations account, so that there is nothing which need delay payment in full.

* * *

HOWEVER, the government has decided that the reparation funds cannot be disbursed without authority of parliament and a statute will be necessary to enable the finance department to make out the cheques. This is where delay may take place. Mr. Robb, it is understood, would prefer to hang on to the money for a little while longer, at least until he sees what sort of a business year is ahead. Other members of the ministry, it is said, incline to the view that the rightful claims should be met forthwith.

The next few days should reveal the course upon which the cabinet has decided. Unless the reparations report is brought down, the government is not likely to proceed and if this action is delayed until after the Easter recess there will be too great a rush to pass the estimates and wind up the session for such contentious matters as reparations.

* * *

THE Financial Post has long contended that the protests against the Australian treaty loom largely in the public eye chiefly because they come from a well-organized, articulate group who have spared no pains to make their case known to the public. But while the Canadian butter producers have a good case, and one deserving of close analysis, it does not alone provide a test of the merit of the Australian treaty. Ample evidence has been given in these columns that certain of our great primary industries, notably the fishing, canning and newsprint producing industries, have benefited in very large measure from the operations of this favorable trade pact with our sister Dominion.

Evidence of how one Canadian company is benefiting directly from the operations of the treaty is contained in a letter received by The Financial Post from A. N. McLean, president of the Connors Brothers, which is selling its sardines in Australia under the treaty provisions. Connors Brothers supports an entire town in New Brunswick and the Australian orders are a factor for prosperity in New Brunswick. One may rest assured that Mr. Robb, the father of this treaty, will not readily scrap it, when even industries located on the far eastern coast of Canada benefit from it.

Mr. McLean writes:

> We desire to take this opportunity of congratulating you on your statesman-life defence of the Australian Treaty. Your articles in connection with this treaty are well written, and there is no question but what this treaty is conferring great benefits on the industries of Canada. As you are aware, in times past, the Maritime Provinces have found it hard to market their fish products. However, now that we have a preference in Australia and excellent water transportation to that country, the fish from our shores are finding a good market in that part of the British Empire. Last fall we had more orders from Australia than we could fill, and this spring we received orders for many thousands of cases in advance of the opening of our plants, which will take place the last of this month.
>
> We are conducting the largest sardine plant in the world here in the Maritimes, and it means something to Maritime trade for us to have such an excellent outlet for our goods as Australia. Before the treaty came in force, our sales there were practically nil.

Canadian Wineries Issue Over-subscribed

That an excellent market for new and attractive securities continues to exist in Canada is shown by the rapid over-subscription of the new issue of Canadian Wineries, a merger of the leading native wine producers of Ontario. Although the actual public offering has yet to be made the stock is over-subscribed

A growing market for Empire wines is shown by recent British figures. It was shown the other day in a speech by Rt. Hon. L. C. M. S. Amery, in London, that the British Parliamentary restaurant has increased its consumption of Empire wines ten-fold since a preference was given to Empire wines.

Canada is slow in getting into the British market, but hopes in time to join with the other Dominions in export trade.

It is understood that Canadian Wineries, which does not now export to Britain, will undertake to develop that field.

MEX. GROUP NOW SHOWS PROSPERITY

Re-organization Effected Last June is Proving Successful

OUTLOOK IS HOPEFUL

Probable Settlement of Oil-Lease Question Helps; Company Earns Well Above All Charges

Mexican Light & Power common stock has risen from 65 on January 2, this year, to 112 on March 26. This substantial increase in market value has taken place with the exchange of less than 1,300 shares on the Toronto and Montreal markets. The low price for the year was 62 on February 29, which was a day of low valuations on speculative stocks.

This common stock sold as low as $5 the share in 1921. Its low last year was 27 and its high 65.

Now Pays Its Way

This company has been paying its way since the reorganization was effected last year, whereby arrears of bond interest and preferred-stock dividends were funded. At that time, it was estimated that the earnings of the company, after payment of all bond and preferred stock charges and sinking fund requirements, would be in excess of $2,000,000 annually. This estimate, however, did not provide for general depreciation, nor for sinking-fund requirements of $328,000 annually, which become effective in 1928.

Allowing for the latter charge, it is apparent that the earnings of the company, on the basis of the figures for 1926, will be in excess of $12 the share before appropriations for depreciation. There are outstanding 135,850 shares of common of no-par value. The par value was eliminated in the 1927 reorganization.

Earnings Are Higher

It is reported on good authority that earnings of the company in the latter part of last year and in the current year having been running somewhat ahead of earnings for 1926. The company does not publish its monthly income figures, so that the exact situation is not apparent. Those who have knowledge of the company's affairs and of affairs in Mexico are of the opinion, however, that the outlook for the company is better now than it has been since Mexico plunged into political strife about fifteen years ago.

One of the most encouraging facts is that the recently appointed United States ambassador to Mexico, Dwight P. Morrow, apparently has effected an agreement with the authorities whereby the long-standing controversy over oil leases may be settled forthwith. This settlement will rehabilitate the fiscal position of the government and render more likely ultimate satisfactory adjustment of the debt arrears of the central government to Mexican Light, and to revive further the internal prosperity and international credit of the country.

Dam Will Help Both

It is worth noting that relations between the government and Mexican Light & Power Co. are amicable. While the company's calculations as to its ability to meet current fixed charges disregard entirely the asset of the $4,000,000 owing by the government, there is a strong possibility that a substantial portion of this sum eventually will be realized, especially if the settlement of the oil-lease controversy results in development which will bring the government adequate revenue to pay its way and to meet arrears. The governmental authorities recognize the claims as just and while able to muster a certain degree of native philosophy in their impecuniosity, it is believed that payment, in part at least, will be made when the cash is available for the purpose.

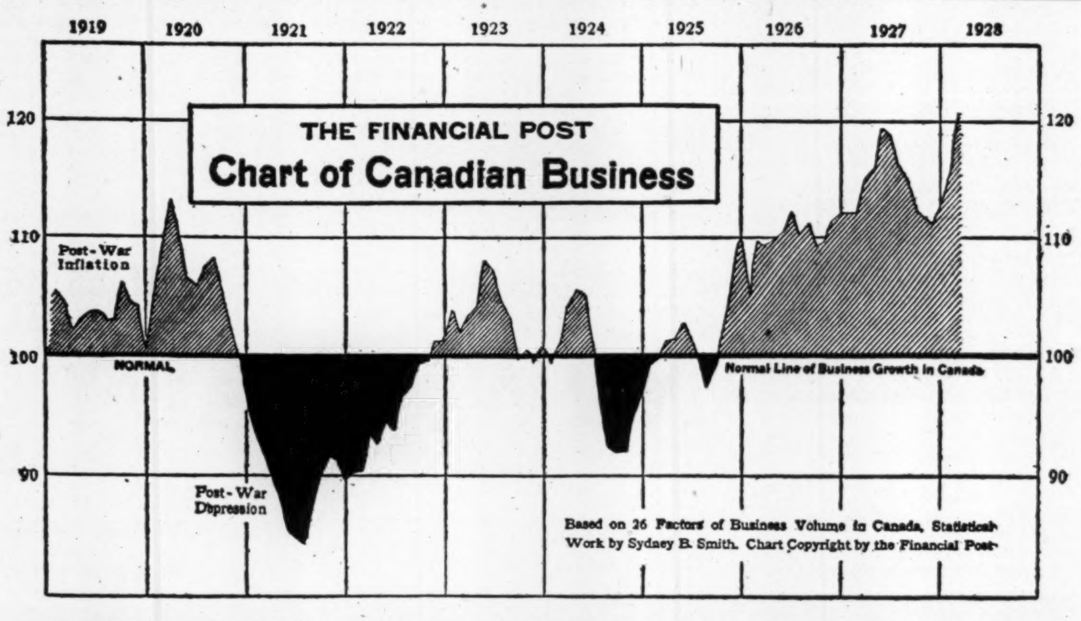
An illustration of the friendly relations between the company and the government is the fact that an ambitious irrigation and power project has been carried out to the mutual advantage of the company and the government. This is known as the Lerma River project in the state of Michoacan. A large area will be irrigated by means of the power dam.

Quorum Lack Again Defers Fanny Listing

Failure to find a quorum of the committee of the Toronto Stock Exchange is the only reason that Fanny Farmer Candy Shops, Inc., stock has not been listed for trading, it is reported. The papers were filed some time ago, but were temporarily withdrawn. They were again filed about ten days ago, but so far the committee has not got together to act on the application.

It is expected that the stock will be called for trading within a few days.

Canadian Business is at New High Point



Every indicator points to the fact that 1928 will see all previous records broken by Canadian business. The month of February was the biggest February in the history of Canadian business, and after allowing for seasonal trend fluctuations it was the biggest single month Canadian business has ever seen. The Financial Post's chart of business conditions in Canada, shown above, indicates that a sharp rally has occurred since the beginning of the year and the high level of production and trade in the early months of last year has already been exceeded. The chart allows for both the normal, long-term growth of Canadian business and for seasonal fluctuations that are a feature of Canadian conditions. (See also article on page 3).

LINK EATON WITH OFFER FOR STORES

They Are Said to be Behind Deal Now Under Way

PRICE IS $4,400,000

This is for Stores and Merchandise — Now Checking Up Titles and Stocks

The T. Eaton Co. is rumored to be the probable purchaser of the 21 stores in the chain of Canadian Department Stores, Ltd. The fact of their having made an offer has been persistently rumored, although no confirmation can be secured as yet from the T. Eaton Co., from the receiver, G. T. Clarkson, or from representatives of the income bondholders or the creditors.

A meeting of creditors approved an offer of $4,400,000 for stores and inventories, and income bondholders will meet April 14. Committees representing both the income bondholders and the creditors decided some time ago to accept the offer reported to have been made by the Eaton company. Formal title to the properties would pass quickly, it is believed, if time were not required for searching of realty titles by the solicitors for the purchasers and for checking up inventories.

As known to readers of The Financial Post, the price to be paid for the properties is approximately $4,400,000. This figure will give the income bondholders nearly 50 per cent. and the trade creditors about 40 per cent. after paying or providing for the first mortgage and other prior claims. The income bondholders rank equally with the trade creditors in most particulars, but these bonds are a first mortgage on the Ottawa store and therefore rank ahead of trade claims in that respect.

In ten cities of Canada the T. Eaton Co. either is operating department stores or has acquired sites for department stores. These ten cities are:

Toronto
Montreal
Hamilton
Calgary
Windsor
Winnipeg
Halifax
Sherbrooke
Saskatoon
Kingston

There will be some overlapping if the purchase of the bankrupt chain is consummated. Eaton's about a year ago acquired a large store in Hamilton, so that a second one is now in its possession. In some other places where are stores purchased, the company has been operating groceterias or mail-order depots. It is believed that the Montreal store newly acquired, Letendre, will be continued in operation as it is in a different part of the city.

The 21 places where Canadian Department Stores, Ltd., has been represented are:

Stratford
Woodstock
Ottawa
Brockville
Chatham
Lindsay
Hanover
Sault Ste. Marie
Napanee
Brantford
North Bay
Sudbury
Hamilton
Montreal
St. Catharines
Picton
Huntsville
Pembroke
Midland
Peterboro
Port Arthur

There are many other places where the Eaton Co. operates gro-

(Continued on page 2, col. three)

Because of the good Friday holiday The Financial Post will be published next week one day earlier than usual.

Fresh Crop of Rumors Follows Massey Rise

Renewed strength and activity in the common stock of Massey-Harris Co. has given rise to a fresh crop of rumors concerning this company. The nature of the favorable news, if any, has not been disclosed from official sources or otherwise. On this occasion, however, the rumors are not concerned with early dividends, but there is an indication to credit the company with plans for further expansion by way of acquisition of competitors or of companies in allied lines of industry. One report said that the favorable news would not be revealed for probably three months.

Whether or not there is any basis for the rumors, examination of the balance sheet and consideration of the excellence of the management and directorate and breadth of activities, lead the patient investor to believe that ultimate reward by way of appreciation of principal is reasonably sure. On this basis, some of the more conservative brokers, who do not profess to have garnered any inside information, are recommending the stock as a purchase for a hold.

Two Life Companies May Make Big Changes in Investment Policy

Weston New Head of Mortgage Men

At the annual meeting of the Dominion Mortgage & Investment Association scheduled for Friday, G. H. Smith was to retire from the office of president and to be succeeded by J. F. Weston, managing director of the Imperial Life Assurance Co. Mr. Smith is the only president since the organization of the association who has held office for two consecutive years.

After election of officers the annual meeting was to be adjourned to Regina, September 17 and 18, where matters of policy and legislation will be fully discussed, including the debt adjustment act.

Forecast Revision of Investments to Include Common Stocks

AN IMPORTANT TREND

Lower Interest Rate Forcing Companies to Readjust Investment Plan

Two of the largest Canadian life insurance companies are to make radical changes in their investment policies, The Financial Post learns. The two companies have assets in excess of $180,000,000 and have virtually decided to adopt the common stock investment plan which the Sun Life Assurance Company of Canada has used successfully for years.

The adoption of such an investment policy by these two companies marks the beginning of a trend in insurance investments which will play an ever larger part in the Canadian life insurance picture.

In its common stock investment policy, the Sun Life holds a unique position. Under the personal guidance of T. B. Macaulay, this company pioneered in investing in common stocks. To-day the company holds some $163,000,000 in common shares. This figure compares with total investment assets of just over $300,000,000.

Was Much Discussed

For some years the Sun Life investment policy has been discussed in insurance circles throughout the world. On the whole, insurance men have expressed their approval of it but few companies have had the courage to adopt similar plans.

The information, that two of the largest Canadian life companies are to adopt common stock investment policies similar to those of the Sun Life is of importance not only to Canada, but to life insurance companies throughout the world, where the whole question is now, being seriously discussed.

The trend towards investment in common shares, is due virtually to one factor, namely, the tendency toward lower interest rates. At the Canadian Life Officers' Association's meeting in Toronto last year this topic was largely discussed and an exceedingly able article was prepared and submitted by Professor R. E. Freeman, of the University of Western Ontario. He summed up the situation in his analysis in part as follows:

Freeman Forecasts Decline

"In spite of the many things that might happen to raise the rate of interest, I am disposed to predict a gradual decline for the next 25 or 50 years. Of course I am referring only to the long time trend. The periodical fluctuations may or may not be as marked in the future as they have been in the past. If the phenomenon of trade cycles keeps on recurring, there will be checks in the downward trend and possible slight increases in the rate from time to time. But since interest on long-time investments is not affected to the same extent as the rate for those of shorter maturity, the trade cycle will not appreciably modify the downward course of the investment rate."

Another contribution to this question was made recently by John Maynard Keynes, the well-known economist. Professor Keynes, who as president of the National Mutual Life Assurance Company, of London, takes the position that the declining rate of interest is forcing insurance companies to go into the field of stock investment.

Under Professor Keynes' direction, his company has invested a large amount of its income in ordinary shares and has been able to net 7 per cent. on its investment for the past seven years. The opinion of this economist is therefore being all the more closely studied because through practical experience he is in a position to know what he is talking about.

Another British life insurance authority, H. E. Raynes, F.I.A., has made an investigation of the subject and finds that only 4.3 per cent. of the funds of the British Life

(Continued on page 2, col. three)

ANOTHER MERGER TRUST COMPANIES NEARS COMPLETION

Negotiations of T. G. T. for Sask. Mortgage & Trust Near Consummation

From Our Own Correspondent

REGINA.—It is stated here that the Toronto General Trusts Corporation has successfully concluded negotiations for the purchase of the assets of the Saskatchewan Mortgage and Trust Corporation; and it is expected that the directors of the latter company will shortly ask their shareholders to sanction transfer of their property at the price arranged. Just what that price will be, is not yet revealed; but it is stated to be a sum sufficient to not only account for the physical assets but also take care of the shareholders in a liberal manner.

An Old-Established Company

The Saskatchewan Mortgage and Trust Corporation was organized nearly twenty years ago, and has operated successfully in Western Canada during the past two decades. During that time shareholders have received a total of $48.75 dividends on their $50 shares, the company paying a five per cent. dividend in 1927 amounting to $41,371 out of net profits earned amounting to $45,835. In 1915 the 7 per cent. dividend was reduced to 6 per cent.; in 1922 this was further cut to 5 per cent., with a further reduction to 2 per cent. in 1923, and no dividends in 1924 and 1925. In 1926 dividends were resumed with 2½ per cent. for the last half, and a full 5 per cent. in 1927.

The company's business and direction is distinctly Western, with Saskatchewan as the scene of the company's operations. The board of directors is composed of: A. E. Whitmore, president; F. N. Danke, vice-president; S. C. Burton, S. P. Grosch, K.C., F. G. England, Hugh McGillivray, F. J. James, Ernest E. Poole, and P. H. Gordon, K.C., all of Regina, and A. G. Rawlinson, of Qu'Appelle.

Good Western Connection

The purchase of the Saskatchewan Mortgage and Trust by the Toronto General Trust Corporation will bring to the latter company a valuable western connection and much immediate business that can be made profitable through the relatively low operating unit of expense possible to the big Toronto institution. Saskatchewan is a wealthy province which has been well cultivated by the Saskatchewan Mortgage and Trust for nearly two decades. Already the powerful Eastern corporation has entered the Saskatchewan field, the fully equipped Saskatoon branch of the Toronto General Trusts being located in its own building on a strategic corner; and here a fully equipped trust company and mortgage loaning service is being carried on under the supervision of a local advisory board. The purchase of the Saskatchewan Mortgage and Trust will provide an immediate volume of business that will immediately firmly establish the powerful Toronto General Trusts in this province.

NO ACTION THIS SEASON ON LLOYD'S

But Government Still Threatens Insurance Companies

REPLY TO ARTICLE

Members of Cabinet Outline Reasons Why They Consider Marine Insurance Discrimination to be Unjustified

From Our Own Correspondent

OTTAWA.—The opinions of the marine insurance underwriters which were expressed in the last issue of The Financial Post have been read with interest and some sympathy by the members of the government, but are not likely to swerve them from the determination to remove the discrimination in rates now prevailing against British North American ports. If there were no discrimination against the St. Lawrence route, the question would not be regarded as so urgent but the interests of the St. Lawrence and the Province of Quebec are rather closely associated with the government and it is considered to be sound political strategy to proceed.

The opinion of the underwriters that the recent declaration of Hon. P. J. Cardin, in which he advocated a Canadian Lloyd's was more of a gesture than a threat is, no doubt, well founded. There will be no legislation this session, at any rate. Nevertheless the question is one upon which Quebec ministers feel strongly and upon which western ministers see eye to eye with them, and unless the discrimination is removed there undoubtedly will be action by the government within the term of the present parliament.

Admit Business Unprofitable

On the whole the cabinet ministers who have discussed last week's article in the Post with your correspondent do not dispute the fact that marine insurance business as a whole has not been profitable in recent years. In their view this does not touch the main question at all. The main question, in their view, is discrimination. If it is necessary to increase marine insurance rates in order to yield a fair return on the money invested in insurance, there would be no complaints from Ottawa. The rate of insurance is one thing and the discrimination is another.

Where the cabinet disagrees with the underwriters is on the justification for charging a higher rate on hulls and cargoes on the St. Lawrence than upon United States' Atlantic sea-lanes. This view, of course, is understandable. The present government and all preceding governments have done their very best to retain Canadian commerce in Canadian channels. Canada has a huge export trade much of which finds outlet through United States ports. If it could be carried to tide-water through Canadian transportation channels there would be an enormous increase in employment and prosperity in this Dominion. For one thing, the annual deficit of the Canadian National railways would disappear. If the Canadian roads merely carried the grain which is carried annually from Buffalo to New York this happy condition would be realized. The cabinet takes the view that there is no difference of opinion in this regard and all political parties are unanimous in favor of it.

Rates Pull Traffic to South

However, no government can do much to stimulate traffic through our own ports while there is a discrimination in marine insurance rates

(Continued on page 2, col. two)

James Playfair and E. J. Hallett Buy Waterloo Co.

Simon's Shares Rise in Trading

MONTREAL. — Both the preferred and common shares of H. Simon & Sons, which were offered to the public a week ago were listed on the Montreal Curb Market this week. The preferred shares will later be traded in on the Montreal Exchange. Until the temporary preferred share certificates are replaced by engraved certificates, the preferred will continue to change hands on the Curb. The common shares were sold at $35; on being listed they immediately jumped to $45. Later prices reacted a little from this figure. The preferred shares are quoted at about 101.

Pay $2,000,000 for Threshing Machine Manufacturer

STRONG OLD COMPANY

Although Forty Years Old, With Big Assets, Capital Stock Totalled Only $300,000

James Playfair, Midland grain, shipping and oil magnate, who has been associated with many recent purchases of large Canadian industrial corporations, has added another bow to his quiver—this time one worth two million dollars. He is the central figure in the reported purchase of the Waterloo Manufacturing Company for that sum.

While no announcement has been made of the deal, information that it has been completed is obtained by The Financial Post on excellent authority. From the same source it is learned that E. J. Hallett, investment banker of Galt, Ontario, who is believed to have been associated with Mr. Playfair in a number of other transactions, negotiated the present purchase.

Waterloo Manufacturing Company is a very successful, old-established company manufacturing threshing machinery.

Small Capital Stock Issue

The company was incorporated 40 years ago with capital of $100,000. This was increased to $300,000 in 1901. Although the paid up capital has never been increased above this sum, the company's liquid assets have out-grown the capital. The total assets are now close to $3,000,000, and the surplus and reserves total nearly $2,200,000.

The late E. W. B. Snider founded the business and was its active head until 1921, when he died. Two sons, C. W. and W. W. Snider have since been in charge, C. W. Snider being the manager.

Plant Carried at Small Sum

The plant at Waterloo is substantial in size, but has been carried in the books of the company at much below its real value, the total investment in real estate, plant and buildings being shown at $132,900, although the company owned certain of its western branches as well as the main plant.

The company maintains branch plants at Portage la Prairie, Regina, Saskatoon and Calgary.

Plans of the new owners in regard to expansion of the plants or recapitalization are stated to be still indefinite. It would not be surprising if there were some offering of securities to the public as most of Mr. Playfair's recent deals have been followed by public financing.

It is said that A. T. Thom, general manager of the Ontario Wind Engine & Pump Company, who has been most successful in establishing the latter company during a period when the character of its business has been changing, has accepted the position of general manager of the Waterloo Manufacturing Company.

BREWERY MERGER MOOTED BETWEEN TWO ONTARIO COS.

Cosgraves and Carlings Likely to Amalgamate—Montreal Interested

That Cosgraves are concerned in a brewery merger is pretty well believed on the "street." The only difference of opinion is as to what firm is going to join with them. Carlings is given strong preference because of the fact that exchange of distribution of Cosgrave and Carling brands would be particularly advantageous to both well-known companies, and the two breweries are not too far apart that delivery by truck to warehouses could not be profitably made from either plant in both areas.

Certainly, production activity at Cosgraves is unusually heavy, with brewing and bottling on an unprecedented scale, in anticipation of heavy summer business. Moreover, the company has increased its Ontario warehouse from 30 to 42 or some 40 per cent. betterment in Ontario facilities; and in addition has secured valuable new export facilities. There has been a marked improvement in export during the past few months, this being formerly a comparatively insignificant part of the company's business, which will probably bulk large in the present year. Heretofore, the company's chief market has been Toronto and vicinity; and this domestic market is stated by officials of the company to be better than ever before at this season, in addition to the increased Ontario business and the new export trade.

Dawes Also Mentioned

From the standpoint of Carlings or any outside brewery, a union with Cosgraves would be of great benefit inasmuch as the Toronto area is a very great consumer market for ales and beers, and the privilege of distributing their brands in their own branded waggons is worth a good deal.

For this same reason, Dawes of Montreal is mentioned as a possible buyer of the Cosgrave brewery as it is known that they have long wanted to enter the profitable Toronto field. The larger holdings of Cosgrave stock are also held in Montreal; and it is stated on good authority that these shareholders would welcome a union with a Montreal brewery.

Canada Northern Power to Call All Its Bonds Arranges Re-Financing

Both Its Own and Its Subsidiaries' Bonds Will be Redeemed

From Our Own Correspondent

MONTREAL.—The bonds of all the subsidiaries of the Canada Northern Power Corporation and the bonds of the corporation itself are to be called, The Financial Post understands. The bonds of the Great Northern Power Corporation have already been called. The Canada Northern Power, the Northern Canada Power and the Northern Ontario Light and Power each have an issue in the hands of the public which will be redeemed shortly.

Apparently, the present issues will be refunded by the sale of the new issue which has just been authorized by the shareholders of the Canada Northern Power. Such financing would favorably affect the position of the corporation, which serves the entire precious metal mining districts of Quebec and Ontario. The bonds now outstanding all bear interest at 6, or 6½ per cent., whereas the newly authorized issue would bear interest at 5 per cent. It is thought that by such re-financing the corporation will make annual savings in interest charges of between $100,000 and $150,000.

Would Bear Low Rate

While the new issue may take the form of collateral trust bonds, yet such an issue would be sold with a 5 per cent. coupon. With the calling of the present bonds, the new issue will in effect be a first mortgage, as there will be no underlying mortgage indebtedness of the subsidiary companies. These subsidiaries are virtually wholly owned by Canada Northern. Moreover, the position of the new bonds will be the stronger as over the past year or two, profits have gone back into the properties and the shareholders of the parent company have, by subscribing to the new stock issue, increased their equity in the company by $750,000.

To Be New Line Up

The re-financing of Canada Northern indicates that eventually the somewhat complex financial structure existing between the holding company and its subsidiaries may be eliminated. Perhaps the various properties might be segregated into two new units, one operating in Quebec and the other operating in Ontario, the reason for such a step being that private ownership of power properties prevails in Quebec whereas in Ontario, the predominant factor in the power industry is the publicly-owned Hydro Electric system.

However it be achieved, the elimination of the underlying bonds indicates the management's intention of consolidating into a more simple structure the present line-up of the subsidiary companies.

Investment interest in these subsidiaries is confined to the Northern Canada Power, the Northern Ontario Light and Power and the Great Northern Power.

Notices calling the Canada Northern 6½'s of 1941, and the Northern Canada 6's of 1946 will probably go out immediately. It is understood that the Northern Ontario Light and Power 6's of 1946 will be called shortly. The total of these issues outstanding amounts to some $13,750,000.

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MONTREAL TRAMS HAS BEST YEAR IN ITS HISTORY

Despite More Shares Outstanding Profits Per Share Up

POSITION IS SOUND

Balance Sheet Reveals Much Stronger Position—Working Capital Up and Reserves Increased

From Our Own Correspondent

MONTREAL.—With larger earnings per share on the increased amount of stock outstanding this year, showing a vastly improved liquid position, and with materially larger reserves, the annual report of the Montreal Tramways Company, covering the 1927 operations bears out the faith which the shareholders have had in the management during the recent leaner years. The satisfactory showing achieved in 1927 is the result of several years' careful management, and cannot be traced to any significant increase in the number of passengers carried during the past twelve months.

Whilst earnings increased only moderately under the Tramways contract with the city of Montreal, interest charges were kept at the level of the preceding year with the resulting increase in the amount applicable to the common stock. The company's income account and working capital position at the end of the last two years compare as follows:

Allowed Under Contract

	1927	1926
Return on capital	$2,697,709	$2,641,430
*Interest	61,044	32,916
Oper. profit	57,350	55,276
Divisible surplus	124,241	......
Other revenue	67,784	76,104
Total revenue	$3,008,129	$2,805,726
Interest, etc.	2,125,648	2,126,567
Net income	$ 882,486	$ 679,159
Dividends	499,602	400,000
Surplus	$ 382,884	$ 279,159
Prev. surplus	1,293,197	1,014,038
P. & L. balance	$1,676,081	$1,293,197

*Interest on investment in Autobus Service.

	1927	1926
% earned on stock ...	17.65	16.98

Working Capital Position

	1927	1926
Current assets	$3,042,502	$1,661,202
Current liabilities ...	1,900,625	2,741,764
Working capital	$1,141,877	†$1,080,562

†Deficit.

Division of Surplus

In 1926 the gross revenue from the operation of tramways amounted to $12,899,602. This year the figures jumped to $13,728,153. This year, after deducting from the gross revenues operating expenses, the earnings to which the company is entitled under its contract with the city, the $500,000 rental to the city of Montreal, and certain other charges which accrue under the contract, there remained no surplus. But the company came to an agreement with the city whereby the $1,121,206 formerly held at the credit of unredeemed ticket account be reduced to $500,000. The difference of $621,206 was added to the gross receipts of the year. Consequently this sum remained as a surplus after meeting all charges under the contract. The surplus, according to the contract, was divided as follows: 50 per cent. to a tolls reduction fund; 30 per cent. to the city of Montreal, and 20 per cent. to the company.

Obtains New Revenues

Hence, of the total revenue accruing to the tramways in 1927, $124,241, or 20 per cent. of the divisible surplus, forms a part. Formerly, there has been no surplus to divide. For the future, there should continue to be a surplus as the tramways company has now brought its contingent reserve account up to $500,000, from the $68,261 figure of a year ago. The contract between the company and the city provides that any surplus after meeting all charges under the contract should go to the company's contingent reserve account until it reaches $500,000. This figure has been reached by the addition of $431,739 during the year. Thus there is every expectation that in 1928 there will be a divisible surplus equal to at least this last figure.

Reserves Are Mounting

The most significant point about the Tramways balance sheet this year, is naturally the decided betterment in its financial position which is revealed in the foregoing comparison of working capital figures. But not less interesting is the substantial increase in the reserves. Surplus account plus reserves of one kind or another at the end of the year totaled $5,497,778 as against only $3,413,894 a year ago. Included in this increase is the jump of $431,739 in the contingent reserve account which under the contract, the company has been able to build up to $500,000.

The decline in current liabilities is accounted for in the removal and reduction of unredeemed ticket account which last year stood at $1,006,278. This figure, as has been said, has been reduced to $500,000 and has been taken out of current liabilities and placed where it really belongs—namely, in reserves. In the fixed liabilities, there were no changes, save in the common stock outstanding which was increased from $4,000,000 to $5,000,000.

Cash Position Much Stronger

Amongst the assets, cash on hand jumped from $536,298 a year ago to $921,983 this year. Fixed assets are carried at virtually the same figure as last year.

In his remarks to the shareholders, Julian C. Smith, the president, points out that the changed accounting methods for outstanding tickets, are the result of experience gained since the contract between the city and Tramways went into force in 1918 and that the experience obtained during the ten years justifies the action taken.

He also outlines the company's activities covering both operations and plants and says that the management has had surveys made by competent traffic and rapid transit engineers and plans and data have been prepared showing proposed methods of relieving the congestion in the central portion of the city.

NO ACTION THIS SEASON ON LLOYD'S

(Continued from page 1)

which exerts a constant pull to the south. For example the discrimination in insurance on hulls varies between ½ and 1 per cent. An ordinary vessel would carry a large amount of insurance on the hull—say $100,000. By operating to and from United States ports, therefore, a ship owner could save a large amount, several hundreds of dollars annually. Then there is to be added the discrimination on cargo. This amounts to about 12½ cents per $100 of insured value of the cargo. On wheat, to take a concrete case, it is 1/5 cent per bushel. An exporter shipping 50,000 bushels of wheat, (and many export scores of millions of bushels annually) would have to pay an additional premium of $100 for the privilege of sending it through Montreal. Obviously he would do so only after due consideration. He could ship via New York and pocket the $100. On the wheat alone, exported in 1927 from Montreal, the discrimination exceeded $400,000. The total excess insurance paid on all exports through this port must have run into many millions of dollars last year.

Attraction for Tramp Steamers

From the viewpoint of the ship owner, the result is disastrous to Canadian ports. A tramp steamer is coming to an Atlantic port for grain. It can take on cargo, say, at New York or Montreal. If at New York there is an immediate saving of a large amount in insurance on the hull.

It ought to be quite plain that unless this tramp could get a freight rate on this grain from Montreal sufficiently high to more than offset the insurance discrimination, it would not come to Canada. This point was put very clearly by J. E. Dalrymple, former vice-president of the National railways in charge of traffic. In evidence before the Royal Grain commission in 1924, he said:

"On account of the insurance (discrimination) in the St. Lawrence, the tramp steamer invariably charters his grain at one of the American ports, unless the inducement is sufficient at the Canadian port to enable him to offset his insurance disability; this, of course, is simply a question of supply and demand for tonnage, and is regulated according to circumstances."

Say Fewer Accidents

The ministers here take the view that upward of $100,000,000 has been expended on the St. Lawrence river and ship channel. They claim, as previous ministries have claimed, that the St. Lawrence is equally as safe to navigate to-day as any other North Atlantic route. The Marine and Fisheries department is compelled by statute to investigate every accident which occurs in Canadian waters and complete and reliable statistics are now in existence covering many years. The department declares that a comparison between these statistics and those of any North Atlantic route will prove that the risks on the St. Lawrence river are not greater than on the United States routes, in fact are lower than on many of the competing routes.

Therefore, the government asserts that the discrimination is unjust and ought not, in the best interests of Canadian commerce, to be permitted to continue. In so far as the level of insurance rates is concerned there is no dispute and there is no principle involved. The whole controversy centres on the discrimination.

This, of course, is a matter which should easily be decided. All that the marine underwriters need to do, say cabinet ministers, is to prove that there is a higher percentage of wrecks on the St. Lawrence than on United States' sea lanes. Curiously enough in all the years of the controversy there has been but one attempt to do this. In December, 1924, the Manchester Guardian Commercial which had been very active in defending the discrimination, published, presumably on behalf of Lloyd's, a list of 34 vessels which were said to have been wrecked on the St. Lawrence between 1919-24. This list was immediately checked up with the official records of the marine department in Ottawa.

It was found that 11 of these vessels had been inaccurately set down as being wrecked in the St. Lawrence. These 11 vessels were employed in coastwise trade along the coasts of Maine and Newfoundland. There were eight wrecks in the list of which there is no record in Ottawa and if they occurred, they must have been outside Canadian waters at the time of the wreck. Four more were damaged very slightly, incurring only minor loss. As for the rest, there were several cases where the ship captains were drunk or careless and there were some cases where wrecks occurred which might fairly be charged against the route. Since this no one has attempted to come out in the open and defend the discrimination and yet something of the kind must be done if government intervention is to be prevented. It ought to be a very simple matter for insurance underwriters who have paid the large losses of which they complain to issue a list of them and it would terminate the controversy forthwith, said a cabinet minister to your correspondent.

C.P.R. Carries Own

The government, on the other hand, has, in addition to the statistics, another argument against the discrimination. It is that many large steamship companies who operate on the St. Lawrence refuse to pay it and carry their own insurance. The C.P.R. does so and apparently is satisfied with the results. The Government Merchant Marine does so also and the profit and loss on the insurance department of the government owned line of ships is available to the public. The company started to carry its own insurance on April 1, 1923, and since that time it has charged exactly the same rates of insurance on its own vessels and their cargos as have the underwriters. This should furnish a fair test. The annual statements of the C.G.M.M., show that up to the end of 1926, the annual report for 1927 is not yet available, the C.G.M.M., made a clear profit, after paying all losses, of $1,840,500. For a line of some 40 odd vessels this is a very good showing.

On the whole, the cabinet here inclines to the view that the time has come for the production of facts rather than assertions in regard to this question. Failing these, action will be taken.

TAMBLYN PROFIT REPORTED HIGHER IN CURRENT YEAR

Stock Has Shown Marked Rise Over Opening Prices

Tamblyn's common stock, which began its career on the Toronto Curb Market at 21 as recently as February 23, has been selling recently above 30. Just what is happening is not evident, for the investment house originally interested disclaims responsibility for the buying which has resulted in an increase in market value of more than 50 per cent.

Tamblyn's, a drug-store chain in Toronto, until recently has been a subsidiary of Imperial Tobacco Co. The same management continues since the company became of public investment interest.

Profits Are Higher

Persons in position to know have asserted recently that the earnings for the first ten weeks of the current year have been at the rate of $3.50 per share on the common stock after preferred dividends. This is nearly $1 a share higher than for last year. This is a gratifying increase in earnings, although it is noted that earnings for the full year cannot safely be computed on the basis of profit for ten weeks.

Drug-stores in Canadian cities have not been, perhaps, quite so prosperous as drug-stores elsewhere. Competitive conditions have been severe in recent years. At the same time, it will be noted that business conditions generally are excellent at this time and these naturally would be reflected in the drug business.

Common stock of drug-store chains normally sells on the New York Stock Exchange at from 11 to 14½ times earnings, although some of the chains, the stocks of which are listed in New York, are spread through many cities and states. Earnings of $3.50 per share in the United States would suggest a market value of from 38½ to 50¾.

LINK EATON WITH OFFER FOR STORES

(Continued from page 1)

ceterias and mail order depots, as the following list shows:

Groceterias

Calgary
Edmonton
Lethbridge
Medicine Hat
Swift Current
Moose Jaw
Prince Albert
Regina
Saskatoon
Brandon
Winnipeg
Fort William
Port Arthur
St. Thomas
Kitchener
St. Catharines
Kingston
Glace Bay
Sydney
North Bay
London
Hamilton
Toronto
Saint John
Sault Ste. Marie
Truro
Sherbrooke

Mail Order Depots

Winnipeg
North Bay
St. Catharines
Saskatoon
Toronto
Oshawa
Sudbury
Guelph
Niagara Falls
Regina
Brampton
Peterborough
Moncton

Other organizations that are understood to have either made bids for the store or discussed their purchase with those in charge are A. J. Freiman, Ottawa merchant, J. C. Penney Stores Corporation, New York, and a large Toronto wholesale drygoods house.

TWO COMPANIES MAY MAKE CHANGES IN THEIR POLICY

(Continued from page 1)

offices are at present invested in ordinary shares. The most outstanding company has only 16 per cent. in this type of investment. Mr. Raynes thinks that the proof of the pudding is in the eating thereof; in other words that the most convincing argument in favor of this idea, is the actual income that the fund of ordinary shares has earned. Mr. Raynes endorses the plan as an excellent one, although he admits that great care must be made in the selection of stocks.

Few Companies Follow Suit

Already a few of the American companies have started in a conservative way to make stock investments, but due to restrictive State laws, few American companies find any occasion to consider this method of investment. However, in view of the opinions expressed by leaders in the life insurance world, recently, in the United States, it would not be surprising if within the very near future a change was made in this direction, in order to provide this additional leeway, in a matter which is proving of such concern to the life insurance companies.

It must be remembered that in Canada, the only restriction placed upon a life insurance company's investments, is that preferred stocks must have had a regular dividend record over a period of five years and common stocks a regular record over a seven year period. Another restriction prevents them from acquiring more than 30 per cent. of the stock of any one company.

OUTLOOK GOOD, INVESTORS BUY DAIRY COMMON

Leading Food Stock on Toronto Exchange Recovers Some Ground

City Dairy common moved ahead several points in the last week on substantial buying. While current prices are not high for the year, they are a real improvement over the low for the year, which was 44⅜.

Renewal of investment buying accounts for the added strength. It was reported some weeks ago that the comparative weakness in the stock was due to the liquidation from quarters which had benefited from the marked increase in the market value of the stock before the split. The latest buying is said to come from a source which heretofore has not displayed much interest in this leader among the food stocks.

City Dairy earnings are reported to be showing a normal increase. This makes the outlook for the stock as good as it has been in the past, although the stock has been one of the spectacular performers on the Toronto Exchange for a number of years. The company, as is well known, is the largest of its kind serving Toronto with milk, cream, ice-cream and similar products, and, in addition, it derives substantial profits from its ownership of Dri-Milk Co., a subsidiary which has a wide distribution for its products both in the domestic and the export fields.

Hamilton Dairies' Report Shows Substantial Gain

Earnings of Hamilton Dairies, Ltd., for the twelve months ended January 31 last are somewhat below estimates at the time of the merger, though they show an actual gain of more than $42,000 over previous statement issued in 1926. At that time average net earnings were placed at $93,349, and it was estimated that there would be an increase of $74,500 when the new company was fully in operation. Actual earnings were $135,744, a gain of more than 45 per cent. over previous showing in 1926. Surplus for the year after setting aside $75,569 for depreciation and paying $52,000 preferred dividends, amounted to $7,674.

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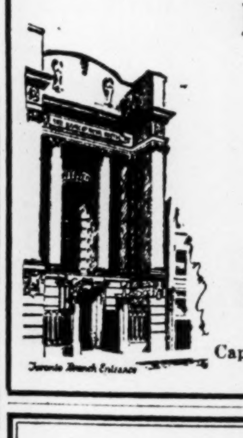

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BISCUIT INDUSTRY PRODUCTION GAINS

Tendency Towards Consolidation More Pronounced in 1926

Production of biscuit and confectionery plants operating in Canada during 1926 totalled $49,178,836, an increase of $2,433,481, or 4.95 per cent over the value reported in the preceding year.

This represents the output of 315 factories, of which over half are located in Ontario. Of the total factories reporting in 1926, the number making biscuits was only 18, biscuits and confectionery 20, ice cream only 83 and confectionery only 244.

A noticeable feature of the report on this industry in recent years is the tendency to consolidate. For the year under review, for example, thirteen plants had a gross value of production of $1,000,000 and over; 12 between $500,000 and $1,000,000; 40 between $100,000 and $500,000; and the balance below $100,000. In the previous year 257 were below the $100,000 mark, while only 12 reported a production of over $1,000,000.

Statistics on production for 1926 are interesting, in that they showed a substantial increase in quantity production but a decline in value. The quantity of biscuits manufactured rose from 38,323 tons to 42,289 tons in 1926, whilst the value only increased from $13,877,199 to $14,802,404. The total production of confectionery advanced from 97,696,203 pounds valued at $25,278,522 in 1925 to 100,610,748 pounds worth $26,265,309 in 1926.

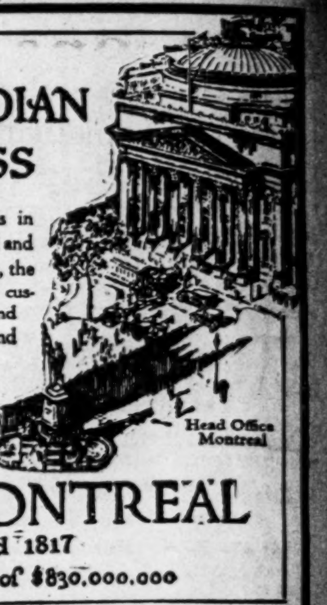
Ice Cream Output Up

Ice cream production in confectionery plants totalled 2,130,281 gallons worth $3,035,468; in dairy plants to 4,709,641 gallons valued at $6,268,588 and in bakeries 57,888 gallons worth $90,348. The total factory production of ice cream in Canada in 1926 was, therefore, 6,897,810 gallons of a selling value of $9,394,422.

A summary table showing per capita consumption of biscuits, confectionery, and ice cream from all sources except that made in private homes, hotels, restaurants and boarding houses where it is made for own consumption, is presented below for the calendar years 1924, 1925 and 1926:

Per Capita Consumption of (in pounds)

	1924	1925	1926
Biscuits	8.09	8.51	9.27
Confectionery	10.66	11.46	11.56
Ice Cream	.60	.63	.72



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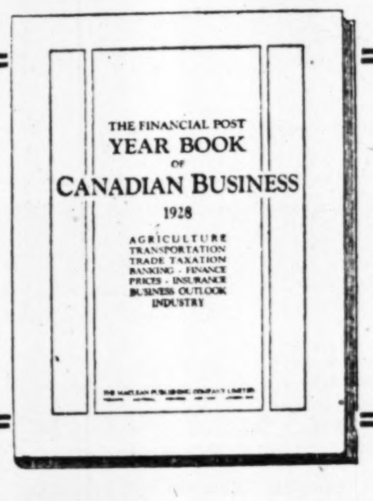

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All Signs Indicate Record Business in Current Year

Index Number For February Touches New High

RALLY IN EVIDENCE

Slump at End of 1927 is Now Behind—Most Industries Show Improvement

By SYDNEY B. SMITH, Ottawa

General business in Canada measured in terms of physical volume showed further expansion in recent months according to an index prepared for The Financial Post. The index after adjustment for seasonal and long-term tendencies was 121 in February compared with 117 in the preceding month, an increase of 3.5 per cent.

During the last three months a strong rally h s taken place, more than counterbalancing the reaction which was commencing to cause concern toward the end of 1927. It is now apparent the reaction in the last six months of 1927 was a moderate, temporary affair which may be expected to develop from time to time in a country undergoing rapid industrial expansion.

Sugar Recovers From Slump

Among the mining factors, nickel, copper and zinc were produced in greater volume in February than in the preceding month, the other mineral factors showing a slight decline. Judging by the employment index, coal mining was not quite so active in February as in preceding months. The record of inspected slaughterings indicates that the meat packing concerns were handling a much heavier volume in February. Sugar refineries showed improvement recovering in part from the marked slump in production during the preceding three months.

The importation of raw cotton was somewhat reduced in February, but the index of employment, standing at 99.2, the highest point in recent years, indicates that mills are operating at a higher percentage of capacity than for some time. The industries dependent on forest products for their raw material were more active. The shipment of lumber to external markets was considerably greater, indicating a healthier condition in the saw milling industry. The production of newsprint was greater than in January, notwithstanding the shortness of the month. The expansion in the Canadian paper continues at a steady pace and the main cause for apprehension lies in regard to the extent of the market for the rapidly increasing output of newsprint.

Steel Output is Larger

The output tof steel ingots and castings was at a very high level in February, showing a marked increase over the preceding month, while the production of pig iron was *in more moderate* proportions. The *motor industry* as a whole was more *active* though it will be some time before one of the principal producers will be in a position to speed up to normal production. Taking advantage of prevailing low prices the rubber companies made heavy importation of crude rubber in preparation for a large production during the present season. The imports of crude petroleum was somewhat reduced in February. The building industry was fairly active especially in the cities where building permits were greater after seasonal adjustment.

Factors of commodity distribution such as carloadings and the index of employment in retail and wholesale trade indicate that goods are moving freely to ultimate consumers. External trade after adjustment was in greater volume than for some time, the increase in the exports being a hopeful sign.

Downward Trend Reversed

The detailed account of the upward trend of business indicates that Canadians have no cause for pessimism at the present time. The downward course obtaining in the latter part of 1927 has been entirely reversed. If the present constructive movements continue to develop at the present pace, 1928 will break all records of the post-war period.

The cause of industrial fluctuation affecting the principal business operations of the entire country is an interesting question. Many answers have been proposed but the very number of the so-called solutions results in skepticism as to whether a single cause will ever be determined which will satisfactorily explain the ebb and flow of business. It is, however, a useful practice to study the nature theories along this line, as much valuable light is thrown on the subject even if the many claims in regard to the discovery of a single cause to a complex situation are heavily discounted. One group argues that the essential feature in industrial fluctuation is the extreme variation in the production of instrumental goods. The iron and steel and construction industries are regarded as samples in this connection. After buildings and equipment in a certain line are fully occupied, a slight increase in the demand for the consumable product will result in a much greater demand for instruments of production, such as tools, machinery and plant accommodation. The building of railways and the installation of electrical power units fostered by invention and the introduction of new appliances are also of this class.

Fluctuation in Consumer Demand

Another group places the emphasis on the fluctuation in consumer demand. It is pointed out that the variation in the production of instrumental goods is initiated through the increase in the demand for the consumable products. The distinction is here drawn between consumable goods such as food and clothing which are designed for personal use, and instrumental goods which are the tools, equipment and plant intended for producing other goods. It is admitted that the demand for goods directly used for personal satisfaction is more stable than for instrumental goods. The fluctuation, however, is considerable due to growth in population, variation in purchasing power. unemployment and other causes. The tendency of corporations and the gainfully employed to divert an undue proportion of their earnings into productive enterprise, and consequently to restrict the demand for consumable goods, is regarded as the direct cause of industrial fluctuation.

Are Factors Favorable?

If it is admitted that no single cause is sufficient to account for industrial fluctuation one may logically take the position that the factors referred to above are not mutually exclusive but that both are operating in the business economy along with many others. The composite effect is the alternation of prosperity and depression, business, business activity and stagnation, and all the waste and losses which arise from such extreme fluctuations.

At the moment it is clear that the production of instrumental goods in Canada is being carried on in satisfactory volume, consumers demand is above the average and financial factors are favorable, resulting in the quickening of the pace of industrial activity.

Vice-President

LIONEL J. W. BENISON, elected vice-president of McConnell & Fergusson Advertising Agency. Mr. Benison has been a director of the company and manager at Montreal for 12 years.

ALBERTA FARM WEALTH HIGH

In the period between 1906 and 1927 inclusive, the value of the annual agricultural production of Alberta farms has increased over 26 times, from $16,428,205 to $330,141,152.

TRUST BUSTING CANNOT AFFECT ASBESTOS CORP.

Company's Problem is in Canada Where Agreement is Lacking

MONTREAL BUREAU
The Financial Post

Shareholders of the Asbestos Corporation have apparently little to fear from the action of the Attorney General of the United States who has given notice of an action to compel the annulment of contracts entered into between the asbestos producers in Quebec.

The move in the United States appears to be instigated by the Keasbey and Mattison interests which produced asbestos in Quebec for manufacturers in their American plants. At the time of the formation of the merger resulting in the present Asbestos Corporation, it was understood that the Keasbey and Mattison interests entered into an arrangement with the other three producers of asbestos in Quebec. The intention was to consolidate the sales of the surplus production of producers which both mine and manufacture the mineral. Thus, when the asbestos merger was first consummated, it was felt that better prices for the total production would be obtained, thus allowing the producers to obtain satisfactory profits on their investment—a situation which has not prevailed for many years.

One Company Stays Out

It is understood that all the asbestos producers have been operating harmoniously with the Asbestos Corporation, save the Keasbey and Mattison Company. The Asbestos Corporation has taken court action against the Keasbey and Mattison interests in Canada. As the litigation is subjudice, it is of course impossible to express an opinion on the merits of the Asbestos Corporation's case.

But one thing is certain, namely that whatever the Attorney General's feelings in the United States may be, touching the asbestos situation in Canada, the judgment of the American court can in no way affect adversely the inharmonious relations already existing between the Asbestos Corporation and Keasbey and Mattison. Even should the Canadian courts give judgment against the Asbestos Corporation, the position which it occupies would in no way be harmed.

Should the Asbestos Corporation be successful in its suit though, it is to be hoped that no legal stone will be left unturned to carry out a judgment handed down by Canadian courts touching the operations of companies with large Canadian assets.

The working out of some harmonious agreement touching the surplus production of the Canadian asbestos producer would benefit this Dominion immensely, for almost 90 per cent. of the world's output of asbestos comes from the Province of Quebec. Such a betterment in the situation surrounding the industry in Quebec could only be worked out at the expense of the U.S. consumer of asbestos, but the claims of the consumer in foreign countries is of no interest to Canadian courts or to the Canadian people.

GROSS EARNINGS OF WESTINGHOUSE RISE DURING YEAR

Company Writes Down Patents to Nominal $1 Sum

Substantial increase in net earnings, an increase in current assets and a decrease in current liabilities, and the reduction of patents rights and licenses from $500,000 to $1—these are some of the features of the 1927 annual report of the Canadian Westinghouse Company.

Current earnings from all sources totalled $2,551,188 against net earnings of $1,796,741 in 1926 and $1,473,387 in 1925. Surplus brought forward from previous year was reduced in June from $4,224,993 to $2,003,123. Out of the current year's earnings there was written off depreciation some $240,000; allowed for Dominion taxes the sum of $187,000; transferred to pension fund, $50,000; and written off patents rights and licenses the sum of $499,000. From the balance remaining from the year's profits there was paid $838,116 dividends, being the usual 8 per cent. plus a bonus of 2 per cent.; and there was left to add to profit and loss surplus $736,073. Total profit and loss balance forward is now $2,739,196.

Greater Volume of Business

Concerning the year's operations, President Myler says in part:

"In the annual report for 1926, mention was made of unfilled orders carried over for delivery in 1927, and the completion of these orders, coupled with a substantial increase of sales during the year of practically all lines of manufacture, has resulted in a greater total volume of business for the past year than for the one preceding, with a consequent enhancement of gross and net earnings. Contributing also to this result has been a decided augmentation of our merchandising lines of small apparatus with its inherent increased rapidity of turnover.

"Throughout the year, your company has been successful in securing a fair proportion of the business offered, this result, we believe, being largely due to the skill of our designing and sales engineering force, in coping with the various intricate technical problems involved, and to the excellent workmanship and quality of materials used in the actual fabrication of our apparatus. Our established record for meeting delivery dates on important installations has also, we believe, been a factor in influencing business in our direction."

How Earnings Have Grown

The following analysis of earnings shows how great has been the increase in business during the past year:

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1927	1926	1925
Gross earn.	$2,551,188	$1,796,741	$2,466,956
Invest. income	......	......	76,186
Total	2,551,188	1,796,741	2,543,142
Less oper. exp.	......	......	1,069,755
Net earnings	2,551,188	1,796,741	1,473,387
Less deprec.	240,000	250,000	245,000
Taxes	187,000	140,000	131,000
Pension fund	50,000	40,000	20,000
Patents, rents, etc.	499,999	......	......
	976,999	430,000	396,000
Net profits	1,574,189	1,366,741	1,077,387
Less appropriations—Pref. divs.	838,116	743,290	743,290
Surp. for year	736,073	623,451	334,097
Add pr. surp.	*2,003,123	3,621,541	3,287,444
Bal. car. for.	2,739,196	4,244,992	3,621,541

*Less dividend paid June, 1927, out of accumulated earnings, $2,241,870.

QUINTE AND TRENT OFF TO GOOD START

Report Shows Profits on Satisfactory Basis in Initial Year

From Our Own Correspondent

MONTREAL.—The first annual report of the Quinte and Trent Valley Power Company covering a full year's operation shows clearly that the company got off to a good start at its inception.

The income account and working capital figures covering the 1927 year follow:

	1927
Revenue	$67,200
Oper. expenses	6,847
	60,353
Bond interest	23,820
Depreciation	6,000
	30,533
Preferred dividends	22,750
Common dividends	5,006
To surplus account	2,777
Working Capital Position	
Current assets	$27,703
Current liabilities	19,465
Working capital	8,238

The balance sheet reveals the satisfactory working capital position shown in the foregoing figures and shows that ,000 of the company's original $450,000 bond issue has been redeemed. The outstanding 7 per cent., preferred stock is shown at $350,000 and the 5,006 common shares of no par value are carried amongst the liabilities at $5,006. The reserve for depreciation and the profit and loss account are carried in the liabilities at the figures shown in the foregoing income account figures. In his remarks to the shareholders the president says that the plants have operated satisfactorily during the year.

General Steel Wares Earns $4 Per Share

From Our Own Correspondent

MONTREAL.—Evidence substantiating the rumor that General Steel Wares' current earnings are equivalent to a rate of $4 per common share annually is found in a bulletin published by McCuaig Bros. and Company, which says that the current earnings amount to about this figure.

General Steel Wares common recently made its debut on the unlisted department of the Montreal curb market. It is anticipated that together with the preferred shares, the common will shortly be listed on the Montreal and Toronto stock exchanges. The listing of the shares will provide wider markets and perhaps tend to make for higher prices. Hence, at their present levels of about $34 to $35, the common shares have attractions as a long hold business man's purchase, particularly as earnings are increasing.

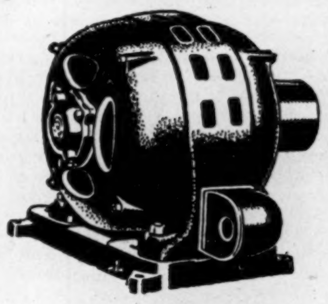
Canada Northern Power Issues Valuable Rights

From Our Own Correspondent

MONTREAL.—The Canada Northern Power Corporation is to issue 15,000 more shares of no par value common stock to its present shareholders at $50 a share. As the corporation now has 60,000 shares outstanding, each shareholder will be entitled to subscribe to one new share for every four shares held. As the common stock is now quoted at over $80 a share, the new stock issue gives valuable rights to the shareholders of around $6.50 for every share held.

By the financing, The Canada Northern Power will obtain $750,000 of new money. The funds so obtained will be used for general corporate purposes. Probably a large proportion will be used in completing the expansion program at the Quinze power plant, on which the corporation has yet to spend about $500,000.

In the service of industry



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The ball bearing motors, in addition to keeping machines in operation, saved the sum of $705.84 annually. On twenty motors, with a total of 600 h.p., they saved annually $300 for repairs, $295.94 in power cost, $95.50 oiling cost, and $14.40 for oil. This is more than one dollar per year per h.p.

The CANADIAN
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COMPANY Limited
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Regina-Calgary-Edmonton-Vancouver-Victoria 63

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New Issue

22,000 Shares

Public Utility Investment Company

(Incorporated under the laws of the Province of Quebec)

COMMON STOCK
(No Par Value)
Fully paid and non-assessable

CAPITALIZATION

	Authorized	Issued
First and Collateral Trust 5½% Twenty-year Sinking Fund Gold Bonds	$500,000.00	None
Common shares, no par value (this issue)	30,000 shs.	22,000 shs.
Deferred Common Shares, no par value	6,000 shs.	6,000 shs.

The no par value common shares shall be entitled to receive in any year a dividend or dividends not exceeding in the aggregate one dollar ($1.00) per share before any dividends are declared, or paid, for such year, upon the deferred shares, and thereafter the said deferred shares shall be entitled to receive in any such year a dividend or dividends not exceeding in the aggregate the said sum of one dollar ($1.00) per share, and thereafter the said common shares and deferred shares shall rank equally share for share for any additional dividends declared and paid in any year. Upon the winding up of the Company, or any liquidation or distribution, whether voluntary or otherwise, of the assets of the Company, both the said no par common and the said no par deferred shares shall rank equally share for share. The owners and holders of said deferred shares shall have the right to cast five (5) votes for every deferred share held at any meeting of shareholders of the Company and the owners and holders of said common shares shall have the right to cast one (1) vote for every common share so held. Dividends as declared and payable will be paid by cheque payable at par at any branch of the Company's bankers, Yukon territory excepted.

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National Trust Co., Limited.

AUDITORS
Messrs. Macintosh, Cole & Robertson, C.A., Montreal.

BANKERS
Standard Bank of Canada.

We summarize as follows from the letter of the president of the company:

THE COMPANY AND ITS BUSINESS

The Public Utility Investment Company has been incorporated under the laws of the Province of Quebec to carry on the business of an investment trust. Its operations will follow the principles employed by representative English and Scottish investment trusts which have been remarkably succesesful over a long period of years and have paid increasing dividends regularly.

The business of the Company is confined to the investment and reinvestment of its resources in seasoned marketable securities, domestic and foreign.

The primary object of the Company is to afford to investors the means of participating in an investment portfolio protected by unusual distribution of risk through broad diversification in seasoned investments which are leaders in their class, such as bonds of Governments and corporations and the preferred and common stocks of financial, public utility and industrial corporations.

ASSETS AND EARNINGS

The assets of the Company consist of cash and readily marketable investment securities. Revenues are derived from interest, dividends, bonuses, rights, etc., on its investments together with such profits as may accrue upon disposal, from time to time, of the securities it may own. At a later date it is the intention of the management to issue bonds bearing a low interest rate. The difference between the cost of such borrowed money and the earnings and profits to be had from these funds will accrue to the holders of the common shares.

It is the intention of the management to conform in operation to the best practices of successful British investment trusts Accordingly, it is intended to create a reserve fund out of income and profits and to disburse only moderate dividends until a thoroughly sound condition has been established.

POLICY AND RESTRICTIONS—GENERAL

The restrictive regulations assure the purchase of only thoroughly sound and seasoned securities which have assurance of continued success and growth and maximum earning power, both geographically and by industries.

The Company does not act as a broker or underwriter. It buys and sells securities entirely for its own account under conservative restrictions. The Company cannot, under any consideration, purchase or hold a controlling or managerial interest in any enterprise.

So far, purchases of foreign securities have been confined to Government external bonds listed on the New York Stock Exchange and the Company's funds are at present employed in seventeen countries.

As the name implies, there will be a leaning towards Canadian public utility securities which have a record of remarkable success and which, in the opinion of the management, offer excellent prospect of continued growth and success. The Trust already owns a representative list of such securities.

Through ownership of the bonds and stocks of leading institutions and corporations, and the much broader list to be acquired, the Company participates in the earnings of many branches of industry not available to the individual investor.

None of the Officers of the Company shall take any compensation for his services, for the time being at least, and a very small clerical staff will be necessary for the present. Estimates indicate that the operating and administrative expenses should not exceed ½ of 1% of the capital employed, which is equal to the results obtained by outstanding English and Scottish Investment Trusts.

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Volume of Trade Less in United States

Volume of trade in the United States during the week ended March 17, as seen from figures on cheque payments, was smaller than in either the previous week or the same week of 1927, according to the weekly statement of the Department of Commerce. The level of wholesale prices expanded, being higher also than a year ago. Prices for iron and steel showed no material change from the previous week, while prices for cotton recovered from the preceding week and were higher than a year ago.

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Besco's Successor Preliminary Step in Reorganization

Dominion Steel and Coal Corporation Now Seeking Incorporation

SET-UP NOT FINAL

Too Early Yet to Predict What Will be Offered to Present Holders

From Our Own Correspondent

MONTREAL.—The formation of the Dominion Steel and Coal Corporation by the interests now directing the destinies of Besco, is the first step in the reorganization of the British Empire Steel Corporation. Ultimately, by an exchange in securities, it is anticipated that Besco and its component companies will disappear entirely and the operation of the fourteen companies will be completely consolidated in the new Dominion Steel and Coal Corporation.

The various factors and considerations which enter into the reorganization of Besco are so varied in character that it is virtually impossible for an observer to form any real idea of the intrinsic value of the present securities of Besco and its component organizations.

The reorganization itself may be divided into two separate and distinct parts, namely, what might be called the reconstruction of the financial structure and, second, the work to be carried out which will improve the position of the actual industries themselves.

Affecting the rehabilitation of the industries, there are such factors as the probability of government assistance and the need for further capital expenditure on the plants.

New Plant Still Distant

Affecting the financial reorganization of the corporation, there is to be considered the question of the seniority of the many Besco issues outstanding and how they will be exchanged for new securities. The financial structure of Besco is at present so complex that it will be many months, probably, before each group of security holders receive an offer for an exchange of securities of the new corporation.

The organization of the new Dominion Steel and Coal Corporation to acquire the properties naturally will not affect the operations being being carried on at the individual plants, except of course, that ultimately new capital will have to be raised to place the industry on a lower operating cost basis. Just how such new capital will be raised naturally affects the position of those who will ultimately hold securities of the Dominion Steel and Coal Corporation.

New Company Set-up

The capitalization of the new Dominion Steel and Coal Corporation is as follows:

1,000,000 class A preference shares, $40 par value	$40,000,000
1,000,000 class B shares $25 par value	25,000,000

While the Besco management has the broad plan of a reorganization in view, it will not be possible for a long time to learn just how this new capitalization will be made to absorb Besco and its component companies' securities which are now outstanding in the hands of the public to an amount of about $126,000,000. This last figure does not include securities that are issued and outstanding but held by components in the Besco chain.

Bond Issue Likely

The new corporation will probably issue bonds; perhaps to replace some of the senior issues of the Besco companies which, undoubtedly, occupy a strong position as far as physical assets are concerned. Then again, perhaps the new company might ultimately issue bonds to supply the industries with the financing so badly needed to add equipment which would reduce overhead and operating costs materially.

Just how much new financing Besco needs is not known, but those with some knowledge of the corporation's activities feel that an expenditure of around $15,000,000 is required to place the industries on their most efficient operating basis.

A guess connot be made as to how the holders of Besco securities will fare in the exchange of securities with the Dominion Steel and Coal Corporation, as there is nothing to indicate just how much of the authorized capitalization the new corporation is to issue; and, as has been said, no information is forthcoming touching just how many bonds the new corporation may issue. The formation of the new company can be regarded simply as a preliminary step in the reorganization.

Securities Only Asset

The British Empire Steel Corporation's only assets consist of securities of the Dominion Steel Corporation, the Nova Scotia Steel and Coal Company and the Halifax Shipyards. The first two of these subsidiaries in turn control through stock ownership about ten other companies. The situation is the more involved as the Dominion Steel Corporation has guaranteed $4,600,000 of the consolidated mortgage of the Dominion Iron Company, now being operated by the receiver.

A Big Job

Some idea of the many problems which have to be worked out, can be obtained from the following list of outstanding Besco securities. The following figures give an approximation, of the real capitalization of the British Empire Steel Corporation for they do not include outstanding securities held by the various companies in the Besco picture. However, the figures covering Besco's own capitalization, include certain small blocks held by subsidiary companies:

Bonds—	
Dominion Iron 1st mtge.	$5,100,000
Do., Con. mortgage	11,700,000
Dom. Coal 1st mortgage	4,576,000
Cumberland Railway	2,650,000
Eastern Car	820,000
Dom. Steel debentures	1,000
N. S. Steel & Coal 1st mtge.	5,134,000
Do., debentures	5,000,000
	$34,981,000
Preferred Stocks—	
Dominion Iron	$8,400,000
Dominion Coal	2,800,000
Eastern Car	100,000
Acadia Coal 2nd pref.	6,000
Dominion Steel	4,700,000
N. S. Steel and Coal	800,000
....	$46,787,000
Common Stocks—	
Acadia Coal	$100,000
Besco's Outstanding Capital*—	
First preference	$8,032,100
Second preference	49,958,575
Common	21,305,400
* Includes certain blocks of stock owned by subsidiaries.	
Total outstanding capital	$126,183,075

The bill to incorporate the new Dominion Steel and Coal Corporation is now before the Provincial Legislature of Nova Scotia. While most of the Besco companies will ultimately disappear in the new corporation, yet those close to Besco admit that there may be some possible exception which further complicates the possibility of forming any idea of what the Besco security holders will be offered in exchange for their present holdings.

The reorganization eventually will provide a single large operating company; cut out the cost of the expensive system of individual company control now obtaining; simplify the unwieldy and complicated financial structure at present existing, and entirely eliminate the unsatisfactory treatment of inter-company affairs. It is said that the Class "B" common shares may ultimately be converted into shares of no par value.

The plan of reorganization provides that the various companies will only be absorbed after 75 per cent. of the shareholders signify their willingness to accept the offer made by the new corporation.

Set-up Not Final

The mere fact that the new company has applied for incorporation does not mean that the reorganization is at present anywhere near complete. On the contrary nothing definite has yet been worked out according to those close to the company—the legislation having been asked merely to provide sanction while the N. S. parliament is still in session.

It is also understood that there is no assurance that the capital set-up, as outlined in the bill of incorporation, will be maintained when the final plan is formulated.

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CHRISTIE BROWN PROFITS INCREASED 46 PER CENT.

Substantial Earnings After Liberal Allowance for Depreciation

The annual report of the Christie Brown Co., for the twelve months ended December 31st last, fully justifies forecasts recently made in The Financial Post. Net profits were up more than 46 per cent. over previous year, and totalled $332,818 compared with $228,483. And these net profits were arrived at only after liberal allowances had been made for depreciation, and are in addition to $250,000 debentures retired.

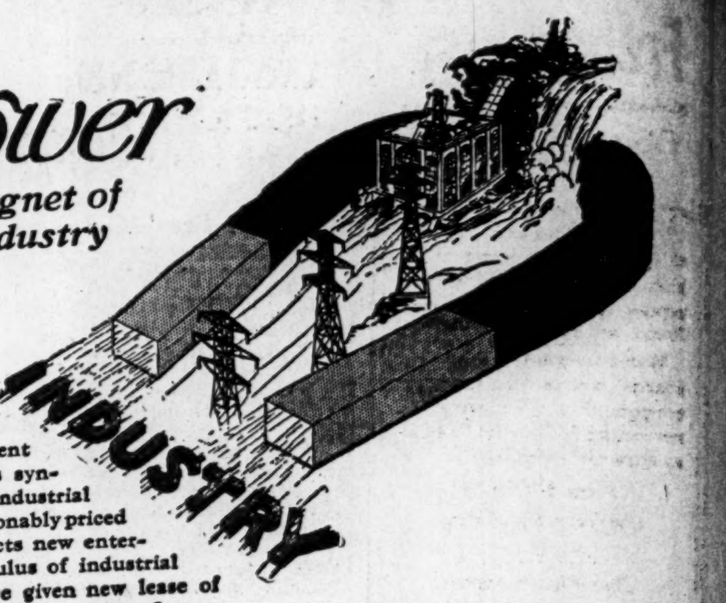
At the close of the company's fiscal year there was a surplus of $2,098,793, against $1,927,462; current liabilities had advanced slightly from $181,760 to $195,202; first mortgage bonds had been reduced from $550,000 to $300,000; and conversion of shares had changed the capital structure from $788,600 preferred and 81,342 shares common no-par value at December 31st, 1926, to $373,100 preferred and 93,807 shares common no-par value. Since this date, the capital structure has been further changed by conversion of balance of preferred into no-par common, the share capitalization now being only 105,000 shares of no-par value. The new issue of 21,000 shares common at $50 a share will bring the share capitalization up to 126,000 shares issued out of authorized 150,000 shares no-par value, with the $300,000 debentures as the only senior security.

Current assets are slightly down from $676,213 to $667,936. Fixed assets at cost are up from $2,189,475 to $2,236,553. Reserve for depreciation standing at $304,528 shows the sum of $112,592 added during the year against $92,214 in 1926, in each case evidently deducted before gross profit is shown. Total assets are down from $2,677,223 to $2,602,996, the reduction being due to deduction of larger depreciation written off properties.

Following is a comparison of earnings for three years:

INCOME AND SURPLUS ACCOUNT
Years Ending December 31

	1927	1926	1925
Gross earnings	$883,777	$752,072	$544,499
Other income	4,332	6,569	.12,826
Total	888,099	758,641	557,325
Less oper. exp.	489,484	466,192	450,439
Net earnings	398,615	292,449	106,886
Less bond int.	29,059	44,125	60,000
Income tax	36,737	19,841	5,500
Net profits	332,818	228,483	41,386
Less appropriations:			
Pref. divid.	42,591	57,537	33,766
Com. divid.	104,095	72,806	......
Employ p.s.	14,800	8,550	......
Surplus for year	$171,330	$85,590	$7,620



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OTTAWA TRAMS' ACTION MAY BE ONLY GESTURE?

May Not be Unrelated to Request for Fare Increase

From Our Own Correspondent

MONTREAL.—The Ottawa Traction Company has passed its regular quarterly dividend. It is impossible to indicate how earnings of the company have been running, for the Ottawa Traction Company is a holding company owning virtually all the stock of its operating subsidiary. Hence Ottawa Traction's annual report shows only dividends received from the subsidiary which in turn are distributed to the shareholders.

The management has forwarded a circular to the shareholders which says that the reserve fund of the Ottawa Electric Railway Company, the subsidiary, which has been used for dividends for the past four years, is now exhausted and it is therefore necessary to suspend payment of dividends until earnings are better.

The current prevailing opinion seems to be that the passing of the dividend is something of a gesture, for at the moment the company is asking the Board of Railway Commissioners for an increase in rates. The Ottawa Traction Company has steadily carried passengers for a five cent fare which compares with a much higher rate prevailing everywhere else on this continent.

From the remarks of the management to the shareholders touching the situation, it appears that the situation surrounding the company is not as alarming as the passing of the dividend indicates. If the company could obtain a rate comparable to that prevailing elsewhere on this continent, there is no doubt that it would then occupy a sound position. The outlook for the future appears to depend chiefly on the action of the Railway Board.

February Sea Fish Catch Greater Than Last Year

A total 23,924,300 pounds of sea fish were landed on both coasts of the Dominion during February, valued at $542,449. During the same period last year there were 26,231,600 pounds taken with a value of $467,134.

On the Atlantic Coast the total quantity of cod, haddock, hake and pollock taken was 4,781,500 pounds compared with 4,238,200 pounds in February last year. The catch of smelts was somewhat less, there being 1,584,400 pounds taken compared with 1,627,100 pounds during the previous February.

The halibut fishing on the Pacific Coast season reopened during the month with 741,500 poundh being taken compared with 126,400 pounds during February, 1927.

A considerable decrease in the catch of herring was recorded during the month with 741,500 pounds being taken compared with 17,567,300 pounds during the same month of the year previous.

The catch of salmon also was somewhat less, only 157,900 pounds being caught during the month compared with 164,100 pounds during February, 1927.

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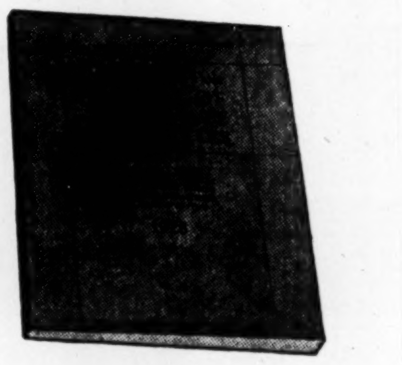

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News of Investment Markets

CANADA POWER DEBENTURES ARE PUT ON MARKET

New Concern is Leader in Paper and Power Field

Wood, Gundy and Co., are offering this week, $6,000,000 5½ per cent. collateral trust debentures (Laurentide series) of the Canada Power and Paper Corporation. These debentures constitute part of the original issue; this offering, therefore, does not represent new financing.

Canada Power and Paper was incorporated a short time ago for the purpose of controlling a number of operating pulp and paper and power concerns. It has offered its debentures and shares in exchange for outstanding shares of Laurentide Co. and common shares of St. Maurice Valley Corp.

Through these two companies, Canada Power and Paper controls the Laurentide Power Co., Laurentide-Ottawa Co., Belgo-Canadian Paper Co., and Canada Paper Co. In addition, through St. Maurice Valley Corp., the corporation controls one-third of the capital stock of The Anticosti Corp.

As a result of this deal the corporation and its subsidiary companies constitute one of the largest producers in the Dominion of newsprint paper, pulp and paper products and hydro-electric energy.

Details of this issue are:

$6,000,000
CANADA POWER & PAPER CORP.
5½% Collateral Trust Sinking Fund Debentures (Laurentide Series)
Dated Jan. 1, 1928 Due. Jan. 1, 1958

Corporation: Formed to take over control of Laurentide Co., and St. Maurice Valley Corp., and their various subsidiaries.

Properties: Corporation controls four important newsprint paper and pulp mills having a combined capacity of more than 1,400 tons of paper products a day, 15,000 tons cardboard, 22,500 tons wrapping, book and writing paper, as well as 18,000 tons kraft pulp. Also controls hydro electric plant at GrandMere, Quebec, developed to 165,000 h.p., and extensive timber limits.

Assets: Combined net assets, after deducting bonds and preferred shares ranking ahead of this issue, had a book value as at December 31, 1927, of $52,647,203, against which there are carried combined reserves of $6,620,362 for depreciation and depletion of fixed assets.

Working Capital: Combined net current assets as at December 31, 1927, after deducting all current liabilities, aggregated $13,365,697.

Earnings: Average combined annual net earnings for two years ended December 31, 1927, after all prior charges, were $3,180,869, or more than twice annual interest requirements on debentures of this issue outstanding.

Capital:

	Authorized	Outstanding
Sinking Fund Gold Debentures	$100,000,000	$28,800,000
Common Shares (no par value) ..	750,000 shs.	688,000 shs.

Listing: Application will be made to list on Montreal Stock Exchange.

Offer: Wood, Gundy and Co., at the market, yielding about 5.55 per cent.

Vancouver Firm Handles Amusement Park Issue

Banfield, Black and Banfield, of Vancouver, are publicly offering 1,500 common shares, par value $100 each, of Happyland Ltd.

This company owns and operates the amusement park known as "Happyland" located at Hastings Park, Vancouver, which was formerly owned by the British Columbia Amusements Co.

Further particulars of this issue follow:

$150,000
HAPPYLAND LIMITED
1,500 Common Shares—$100 par

Authorized Capital: $750,000, all in common shares. No preferred stock or bond indebtedness.

Business: Formed to acquire and operate amusement park "Happyland" in Hastings Park, Vancouver.

Assets: Of the proceeds of this issue $95,000 will be expended in part payment for the entire assets of the British Columbia Amusement Co., of which the total price is $275,000. Of this sum of $275,000, the vendors have agreed to accept 1,800 common shares on account of payment.

Value of Plant: Buildings and plant at Happyland were appraised as at December 31, 1927, at $217,750.

Present Plans: Company proposes to add several new amusement devices at an estimated cost of $60,000.

Earnings: No record.

Offer: Banfield, Black and Banfield, Vancouver, at $100 a share.

Bond Sales of Week

City of Belleville

An issue of $550,294, City of Belleville, 4½%, 30-instalment bonds has been awarded to Royal Securities Corp., on a bid of 98.68, which is equal to a cost basis of 4.60%. The bids were:

Royal Securities Corp.	98.68
Can. Bank of Commerce	98.41
Fry, Mills, Spence & Co.	97.79
R. A. Daly & Co.; Bank of Nova Scotia.	97.33
C H. Burgess & Co.; J. L. Graham & Co.	97.00
Wood, Gundy & Co	96.10

Tenders and By-laws

Apr. 2.—Saskatoon Sch. District.—$19,000 30-year sinking fund debentures, 4½% or 4¾%. Alternative bids U. S. and Canada, and Canada only. W. P. Bate, treas., Saskatoon.

Apr. 7.—Saskatoon.—$483,300, 4½ or 5% 10, 15, 20 and 30-yr. debentures. Alternative bids. A. Leslie, commissioner.

Apr. 14. Seaforth.—$32,500, 5% local improvement debs. J. A. Wilson, treas.

April 4.—Village of Cabano, P.Q.—$25,000 5% serial bonds. J. H. Beland, sec.-treas.

April 2.—Village of Cap l'Aigle, P.Q.—$11,500, 5%, serial bonds. Adelarde Dufour, sec.-treas.

Apr. 2.—Port Colborne.—$25,000, 4½%, 10-year debentures. H. F. Johnston, clerk-treas.

Quebec Catholic School Commission.—$30,000, 4½% 30-year or serial bonds. A. C. Taschereau, sec.-treas.

Apr. 10.—Village of St. Fidele, P.Q.—$15,500, 5%, serial debentures. A. Tremblay, sec-treas.

Apr. 10—Town of Jonquiere, P. Q.—$50,000, 5%, serial bonds. J. M. Lacroix, clerk.

Apr. 13—Town of Laval des Rapides, P.Q.—$10,000, 5%, one-year bonds. J. A. Paquette, clerk.

SASKATCHEWAN
Authorizations Granted by the Local Government Board
From March 10 to March 17, 1928

Schools.—Vidette, No. 4644, $500; Lovedale, No. 838, $2,000; Elliott, No. 4742, $4,500; Knowles, No. 2183, $4,000; Uplands, No. 2290, $1,200; Rudell, No. 1588, $8,000; Glenarchy, No. 2971, $3,500; Bethune, No. 1498, $6,500; Lac Vert, No. 2265, $8,500; High Bluff, No. 363, $5,500; North View, No. 4529, $4,000; Roosevelt, No. 1286, $3,900; Carson, No. 580, $2,500.

Bond Notices

The Thomas Davidson Manufacturing Co., will redeem on April 1 next, all of its 6 per cent. first mortgage 30-year bonds then outstanding at 110.

All of its outstanding first mortgage 5 per cent. 30-year bonds will be redeemed by the Quebec-Jacques Cartier Electric Co., on August 1 next, at 110, payable at the office of the Equitable Trust Co., New York City. These bonds are dated February 7, 1902.

Quebec Railway, Light, Heat and Power Co. will redeem all of its outstanding 5 per cent. consolidated gold bonds, due December 1, 1939, on December 1 next, at 105, payable at the office of the Montreal Trust Co., Montreal, or at the Bank of Scotland in London, Eng.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Shawinigan "D"	5%	1954	Apr. 1	105
Do., "E"	5%	1955	Apr. 1	105
Pt. Alf. Pulp "B"	6½%	1943	Apr. 1	104½
Canada Cement (Old company)	6%	1929	Mar. 31	110
Donnacona Pap.	6%	1940	Apr. 17	105
Donnacona Pap. (Deb. B.C.D. & E.)	6%	1927	Mar. 19	102
United Grain Growers	6%	1940	July 1	105
Spanish Riv. P.&P. Series "A"	8%	1941	May 1	106
St. Francis W.P.Co.	6½%	1929	June 1	102
St. Francis W.P.Co.	7%	1930	Aug. 1	102
St. Maurice Power	6½%	1953	Aug. 1	107½
Beauharnois Elec.	5%	1942	Sep. 1	105
York St. Bldgs.	6½%	1940	Apr. 1	103
G. N. Power Corp. Series "A"	6%	....	May 1	102½

COLOMBIA BONDS SOLD IN CANADA

Proceeds Will be Used For Railway and Highway Building

A substantial block of the new $35,000,000 Republic of Columbia, 6 per cent. external sinking fund gold bond issue of 1928, is being offered in Canada this week. The Canadian syndicate is headed by Dominion Securities Corp., and Nesbitt, Thomson and Co.

These bonds will constitute the direct obligation of the Republic. The Republic agrees, among other things, that if while any bonds of the present loan are outstanding, it shall secure any loan by a lien or mortgage upon any national income or revenues, the bonds of this loan shall be secured in like form, equally and ratably with such loan.

Proceeds of this issue will be devoted to railroad and highway construction purposes.

Details of the issue follow:

$35,000,000
REPUBLIC OF COLOMBIA
6% External Sinking Fund Gold Bond of 1928
Dated April 1, 1928 Due October 1, 1961

Colombia: Adjoins Isthmus of Panama and has a coast line on both the Caribbean Sea and Pacific Ocean. The country is rich in natural resources, both agricultural and mineral.

Obligation: This issue will be a direct obligation.

Purpose: Funds will be used for railway and highway purposes.

Revenues: In the past five years the country has had a balanced budget. In the same period, its national debt has been decreased by more than $23,500,000, invested $6,000,000 initial capital in state bank and spent over $57,000,000 upon railroad construction and other public works.

Debt: National debt, both internal and external, upon completion of this financing will approximate $80,440,000, or equivalent to $11 per capita.

Sinking Fund: Cumulative sinking fund calculated to retire the whole issue at or before maturity.

Offered: In the United States by syndicate headed by Hallgarten and Co., and Kissel, Kinnecut and Co., and in Canada by syndicate headed by Dominion Securities Corp., and Nesbitt, Thomson and Co., at 95 and interest, to yield over 6.35 per cent. to maturity.

ROBERT MITCHELL PREFERRED OFFERED

McLeod, Young, Weir & Co. Finance Montreal Architectural Metal Firm

A half-million dollar issue of preferred shares of Robert Mitchell Company, Montreal, is being offered by McLeod, Young, Weir & Co. The shares, like many other offerings of recent years, are convertible into common stock on a three for one basis. In addition to this feature, the stock issue carries a bonus of one-half share of common with each share of preferred.

Earnings show to be about three times first preferred dividend requirements. If all the first and second preferred were converted into common, 1927 earnings would be equivalent to about $2.50 a share.

Company goes back to 1851 and is a large manufacturer of architectural iron and bronze work, etc.

$500,000
The Robert Mitchell Company, Limited
7% Convertible Cumulative Sinking Fund First Preferred Stock

Company: One of largest manufacturers in Canada of architectural metal-work.

Properties: Owns well-equipped factories in Montreal valued at $593,723.

Capitalization:	Authorized	Issued
7% conv. pref. stock	$500,000	$500,000
7% cum. 2nd pref.*	100,000	100,000
Common stock (n.p.v.) ..	50,000 (shares)	50,000 (shares)

*Convertible four for one into common stock.

Assets: Net tangible assets $1,040,409. Net working capital, $446,686.

Conversion: Issue is convertible before April 1, 1933, at rate of three common for one preferred. Redeemable at 107.50

Sinking Fund: Ten per cent. of profits after preferred dividends, depreciation and taxes.

Purpose: Additional working capital, purchase plant and provide for expansion.

Offered: March, 1928, by McLeod, Young, Weir & Co., Toronto, etc. Par with bonus of 50% common.

CANADIAN WINES FINANCE THROUGH COMMON STOCK

Five Ontario Concerns Merged Will Control Most of Output

Public financing of an important amalgamation of Ontario wine companies, is being undertaken this week by Harley, Milner and Co., who are offering 100,000 n.p.v. shares of Canadian Wineries, Ltd.

The companies being taken into this merger include Stamford Park Wine Co., Niagara Falls; Dominion Wine Growers, Ltd., Oakville; Lincoln Wines, Ltd., St. Catharines, Ont; Peerless Wine Manufacturers, Toronto; and Thorold Winery Co., Thorold.

Most of these companies have been in operation many years. Stamford Park, established in 1890, is the oldest of the lot. Their growth until recent years has not been spectacular. With the advent of the Liquor Control Act in Ontario, however, business of the different companies has picked up and it is considered that unification of management and selling forces would be productive of better results, hence the formation of Canadian Wineries, Ltd.

The manner in which earnings of these companies have grown during the past two years, well illustrates the possibilities of the new company as a big money earner. During 1925 consolidated net earnings, after providing for all charges, except Federal income taxes, amounted to $88,437. The following year net earnings increased to $134,288. While this was a very satisfactory showing, results for 1927 were even more encouraging. In that year consolidated net earnings, on the above basis, totalled $253,129, or practically three times those of 1925.

Particulars of the present issue follow:

100,000 Shares
CANADIAN WINERIES, LIMITED
N.P.V. Capital Stock

Capital Stock: Authorized, 200,000 shares; outstanding 100,000 shares. Of the authorized stock 8,000 shares are to be held in the treasury under option to the management for a period of three years at a price of $24 per share during the first year, $26 per share during the second year and $28 a share during the third year.

Company: Formed to acquire and hold control through ownership of capital stock of Stamford Park Wine Co.; Dominion Wine Growers; Lincoln Wines, Ltd.; Peerless Wine Manufacturers; Thorold Winery Co.

Products: Company manufacturers various types of port, sherry burgundy, claret, sauterne, champagne and medicated wines. Also manufactures Marsh's grape juice.

Plant: All plants are in a good state of operating efficiency. Combined capacity is in excess of 1,150,000 gallons, and provision for further expansion is being made.

Assets: Combined fixed assets, including land, buildings and equipment, as of March 14, 1928, total $366,742. Combined net earnings after giving effect to present financing, total $633,940.

Earnings: Have increased from $88,437 in 1925 to $253,129 in 1927, or equal to about $2.53 per share.

Management: Will be in hands of A. W. Marsh, who is to be general manager.

Offer: Harley, Milner and Co., at $22 a share. It is proposed to make application to list these shares on the Toronto Stock Exchange.

CANNERS' STOCK PUBLICLY OFFERED

Merger of Ontario Firms Will Affect Many Economies

Doherty-Easson and Co. are offering to the public this week 50,000 shares of no par value common stock of Associated Quality Canners, Ltd. Of an authorized capital of 100,000 shares, 80,000 shares are being issued. There will be no bonds or preferred stock.

This company was organized a short time ago to take over the ownership of Quality Canners of Canada, Harvest Canning Co., E. C. Metcalfe Canning Co., and Hallowell Canners, Ltd., all located in Ontario and manufacturers of canned vegetables, fruits, jams, etc.

Altogether the constituent companies have seven large plants, all of modern construction and equipment, strategically located to secure supplies and dispose of its products on an economical basis.

Particulars of the issue follow:

50,000 Shares
ASSOCIATED QUALITY CANNERS

Capital:	Authorized	Outstanding
Com. shares n.p.v	100,000	80,000

Company: Formed to acquire ownership of four canning companies which in turn operate seven plants located in Ontario.

Business: Producers of well-known brands of canned vegetables, fruits, jams jellies, etc.

Security: Company has only one type of security, namely, common stock.

Assets: Land, buildings, equipment, were recently appraised at $1,011,293. Net current assets as at March 1, 1928, amounted to $627,203. Combined net assets as at that date totalled $1,800,000.

Earnings: Net earnings of four companies in past two years, represent an annual average of $177,625, which is in excess of $2.20 a share. In the year 1927 net earnings were $207,365, equivalent to $2.60 a share.

Management: Will be in hands of John Wall and associates. Mr Wall was president of Quality Canners of Canada, Ltd.

Listing: It is the intention to list this stock on the Toronto Stock Exchange.

Offer: Doherty-Easson and Co., at $25 a share.

Honey-Dew Co. Common Stock is Offered Direct

A preliminary offering of 7 per cent. convertible preferred stock, at par of $100 and accrued interest, together with a bonus of 50 per cent. of common stock, is being made direct by Honey-Dew Co., Ltd., well-known distributors of soft drinks and foodstuffs.

The capital structure of the company includes $650,000 preferred stock and 113,000 common of no par value, of which 100,000 is to be issued. The preferred stock is callable at $110.

Net earnings for 1927 were in excess of $95,000, representing the result of operation of five stores in Toronto and Hamilton and three seasonal stands at Toronto Exhibition, Sunnyside and Port Dalhousie. Net profits were reported to be 35 per cent. of the total turnover. One new store on Adelaide West, Toronto, is earning at the rate of $20,000 net per annum. New locations have been secured in Toronto and in cities in Western Ontario. The territories open to the company comprise North and South America, exclusive of the United States.

In view of the expansion plans under way, it is estimated that earnings in 1928 will approximate $200,000 net, which would be over four times preferred dividend requirements and approximately $1.75 per share on the common. Orders are being received for the stock, if, as and when issued.

INVESTMENT TRUST COMMON STOCK SOLD

From Our Own Correspondent

MONTREAL—The shares of the Public Utility Investment Company are being offered at $12.50 per share. The company is an investment trust which confines its investments to seasoned, marketable securities, both domestic and foreign. Substantially 50 per cent. of the total investments will be placed in bonds, and the remainder will be equally divided between preference and common shares. While the investment trust will specialize in public utility investments, yet under its charter it can purchase securities of other types. Later, the management will issue bonds bearing a low interest rate. It is the management's intention to build up a reserve fund from income and profits and to disburse only moderate dividends until the company occupies a strong financial position.

Not more than 25 per cent. of the total resources may be invested in securities of any one country, except Canada and the United States. The company cannot hold a controlling or managerial interest in any enterprise. The stocks must be dealt in on a recognized exchange.

Particulars of Issue

The particulars of the issue follow:

22,000 shares, Public Utility Investment Company

Common stock no par value.

Capitalization—

5½% bonds	$500,000	None
Com. shs. n.p.v. (this issue)	30,000 shs.	22,000 shs.
Defer. com. shs., n.p.a.	6,000 shs.	6,000 shs.
Deferred com. shs., n.p.v.	6,000 shs.	6,000 shs.

The common shares have priority of dividend rights over the deferred shares up to $1 per share per annum. After both classes of stock receive $1 per share, they rank equally as to dividends. The holders of the deferred shares have the right to five votes per share.

The Company—An investment trust which will specialize in public utility securities, but it can also invest in securities of other undertakings.

Assets—Will consist of cash and marketable securities only. There are many restrictions covering the company's investment policy; they insure a sound diversification of investment and provide that the company cannot acquire a managerial interest in any undertaking.

Offered—March, 1927, by Browne, Urquhart and Company, at $12.50 per share.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Belleville	Mar.	Royal Securities Corp.	4½%	30-ins.	$550,294	98.68	4.60%
La Sarre Twp.	Mar.	Lagueux & Dawson	5½%	40-yr.	50,000	101.75	5.38
Westmount	Mar.	Bank of Montreal	4%	40-yr.	485,000	93.527	4.42
St. Thomas	Mar.	Locally	4½%	....	50,000	....	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Canada Power & Paper Corp.	Mar.	Wood, Gundy & Co.	5½%	1958	$6,000,000	....	5.55%
Republic of Colombia	Mar.	Dominion Securities, and Can. and U. S. Syndicate	6%	1961	35,000,000	95	6.35%
Interprovincial Power	Mar.	La Corp. de Placements	6%	15-yr.	700,000	100	6%
Great Western Timber Corp.	Mar.	Royal Financial Corp.	6½%	10-yr.	800,000	98¾	...
York Apartments	Mar.	R. W. Savage & Co.	7%	1948	1,000,000	100	7%
Canada Gypsum & Alabastine	Mar.	Royal Securities Corp.	6%	20-yr.	1,000,000	99	6.1%
Stock Issues—							
Associated Quality Canners	Mar.	Doherty-Easson Co.	...	...	50,000 shs.	$25	...
H. Simon & Sons	Mar.	Greenshields & Co., and Flood Barnes & Co.	7%	Pref.	$1,000,000	100	7%
H. Simon & Sons	Mar.	Greenshields & Co., and Flood Barnes & Co.	...	Com.	30,000 shs.	$35	...
Lombard Bond & Share Corp.	Mar.	Bond & Share Securities	5%	Pref.	10,000 shs.	$50	...
Lombard Bond & Share Corp.	Mar.	Bond & Share Securities	...	Com.	5,000 shs.	...	...
Laurel Packing Co.	Mar.	Company. (With bonus of 2 shares of no par common with each 5 shares of preferred)	7%	Pref.	2,500 shs.	$100	...
Happyland, Ltd.	Mar.	Banfield, Black & Banfield	...	Com.	$150,000	100	...

New Issue
Republic of Colombia
6%
External Sinking Fund Gold Bonds of 1928.
To be Dated April 1, 1928.
To Mature Oct. 1, 1961.
PRICE—Market and interest
To Yield About 6.35%.
Descriptive circular on request.
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Our March investment list includes an offering at a 4.60% rate of a perpetual stock, the interest on which is unconditionally guaranteed by the Dominion of Canada.

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DOMINION BANK BUILDING
TORONTO, 2

WE OWN AND OFFER

$6,000,000
Canada Power & Paper Corporation
5½% Collateral Trust Sinking Fund Gold Debentures (Laurentide Series)

To be dated January 1st, 1928 To mature January 1st, 1958

Total Debentures authorized $100,000,000. To be presently issued not more than $28,800,000 (Laurentide Series). Principal and semi-annual interest Laurentide Series (July 1st and January 1st) payable in gold in Montreal, Toronto or in New York, or in London, England, at the fixed rate of $4.86 2/3 to £1. Coupon Debentures in denominations of $1,000, $500 and $100, registerable as to principal only, and fully registered Debentures in denominations of $1,000, $100 and authorized multiples of $1,000. Redeemable at the option of the Corporation in whole or in part at any time on thirty days' notice at the following prices and accrued interest: at 105 if redeemed on or before December 31st, 1932; at 103½ if redeemed thereafter but on or before December 31st, 1937; at 102 if redeemed thereafter but on or before December 31st, 1942; and thereafter at 101. Montreal Trust Company, Trustee.

These Debentures constitute part of the original issue; this offering, therefore, does not represent additional financing.

Application will be made to list the Debentures on the Montreal Stock Exchange.

Annual cumulative Sinking Fund, commencing January 1st, 1933, equal to at least 1% of all the issued Debentures of Laurentide Series.

The Corporation

Canada Power & Paper Corporation (a Quebec corporation) has offered its Debentures and shares in exchange for outstanding shares of Laurentide Company, Limited, and common shares of St. Maurice Valley Corporation. Under the terms of these offers there have been deposited more than 97% of the outstanding $28,800,000 par value capital stock of Laurentide Company, Limited, which has no funded indebtedness, and more than 97% of the outstanding 160,000 common shares without nominal or par value of St. Maurice Valley Corporation.

Properties

Properties controlled by the Corporation include four important newsprint paper and pulp mills having a combined annual capacity of 395,000 tons newsprint, 15,000 tons cardboard, 22,500 tons wrapping, book and writing papers and white and coloured specialties, as well as 18,000 tons kraft pulp, and a large output of other paper products. In addition, the Corporation controls, through Laurentide Power Company, Limited (a subsidiary of Laurentide Company, Limited) a hydro-electric plant at Grand 'Mere, P.Q., with present developed capacity of 165,000 h.p., capable of increase to 185,000 h.p.

The Corporation also controls, through subsidiary companies, pulpwood areas estimated to contain more than 37,000,000 cords of pulpwood. Adequate hydro-electric and hydraulic power is assured through long term and favourable contracts.

Assets

The combined net assets of Laurentide Company, Limited, and St. Maurice Valley Corporation and their subsidiaries, after deducting bonds and preferred shares ranking ahead of this issue of Debentures, had a book value as at December 31st, 1927, of $52,647,203, against which there are carried combined reserves of $6,620,362 for depreciation and depletion of fixed assets.

Combined net current assets of Laurentide Company, Limited, and St. Maurice Valley Corporation and their subsidiaries, as at December 31st, 1927, after deducting all current liabilities, aggregated $13,365,697.

Earnings

The average combined annual net earnings of Laurentide Company, Limited, and St. Maurice Valley Corporation and their subsidiaries for the two years ended December 31st, 1927, after all prior charges, available for interest on the $28,800,000 of Debentures to be outstanding upon completion of the exchanges, were $3,180,869, or more than twice annual interest requirements on such Debentures.

Debenture Issue

The Trust Deed will require that the Corporation deposit with the Trustee under the first specific pledge of the Trust Deed as security for the Sinking Fund Gold Debentures all shares of Laurentide Company, Limited and of St. Maurice Valley Corporation acquired by the Corporation under the terms of its offer of exchange to the shareholders of these companies. The Debentures required to complete these exchanges will be limited to $28,800,000 principal amount.

Price: At the market, yielding about 5.55%

Wood, Gundy & Company
Limited
Montreal
Vancouver
Hamilton
London, Ont.
36 King Street West
TORONTO
Telephone: ELgin 4321
Winnipeg
Ottawa
New York
London, Eng.

The information contained in this advertisement is based upon statements and statistics on which we have relied in the purchase of these Debentures. We do not guarantee, but believe the statements herein made to be true. These Debentures are offered subject to prior sale and change in price.

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TORONTO, MARCH 30, 1928

BLOWING SOME OUR WAY

URANT MOTORS of Canada report substantial profits for 27. The American Durant companies had large deficits.

Goodyear Tire of Canada stock is lling at nearly three times the ice of the stock of the American mpany.

Canadian Fairbanks Morse Comny reported increased earnings in 27. Fairbanks Morse Company ross the line made less money in 27 than in the previous year.

Oil companies in the United States ve been passing through a diffilt period. Oil companies in Canada re never more prosperous than ey are to-day.

These are straws. They show that wind is blowing prosperity our y. Canada, relatively, is more osperous than the United States. siness is better.

It is not long since we looked with vious eyes on American business nditions. In many lines, Ameris are to-day looking enviously Canada.

A GOOD CAMPAIGN

F OUR minister of trade and commerce, Hon. James Malcolm, is termined to give Canada an "exrt consciousness" the series of vertisements he is addressing to nadian business houses will do ch to achieve his aim. Not only they emphasize the place of exrt trade in the national policy but y provide practical assistance to business man. They definitely tempt to sell the producer on the rvice functions of the department trade and commerce.

The department does well, in its mpaign to show the Canadian anufacturer that he must be prered to: 1. Give a standard of qual. 2. Make the articles required the importer. 3. Pack in the anner the importer desires. 4. liver promptly. 5. Maintain conct dates.

To the manufacturer who makes a ccess in finding foreign outlets ere are certain advantages, outed by the department as follows: Keeping plants in full operation. Bringing about a lowering of proction costs at home. 3. Lowering ices to home consumer. 4. Stabiing employment.

We have already recorded Mr. alcolm's aggressive efforts to adrtise and sell Canadian products road. Inducing the Canadian procer to take advantage of this work just as much a worth-while effort.

CHAIN STORE PROBLEMS

OR a while the chain stores, particularly in the grocery field, had e smaller independent merchant orrying. To-day, the independent erchant feels more sure of his poion and he is enjoying, not witht some gusto, the spectacle of the ains in the keenest of competition th each other. A recent survey of me of the outstanding trends in e chain store business to-day, made nong the chain store people themlves, noted as the first problem of ese business groups "Increased mpetition, especially competition other chain stores." In Toronto, e chain grocery stores already inude large numbers of stores in the rnold's, Loblaw's and Dominion ores chains, as well as numerous dependent merchants branded tother in buying leagues and operatg under such names as Red and hite Stores, Leader Stores, Surior Stores, etc. Further compeion threatens, as the T. Eaton and ompany is said to be considering a ain of groceterias for the city, and the A. & P. Stores leave the inrence that they will not long leave e Toronto field out of their picture.

The big problem in the chain store to maintain a proper ratio between les volume and operating expense. is involves a continuous struggle r larger sales and reduced exnses. It is high pressure merchansing. To date it has been very sucssful. There have been failures nong the chain stores; the execuves of the chains that failed could t force their stores to maintain the erce pace of their competitors. hain store merchandising will connue. There is no reason to assume at it is a passing phase in distriition methods. But its limitations e becoming as sharply etched as e limitations of the more ineffient of the store keepers of earlier ys, store keepers who would have en eliminated by their abler comtitors even if the chains had never me along to do the deed.

The emphasis of the chain store on the price appeal has had a rong psychological influence on the ying habits of their customers. eople go to the chain stores, priarily to save money. Freshness of erchandise, quality and speed are lditional but subsidiary factors. eing in a saving mood, chain store oppers watch the pennies carefully d only increase the chain's problem of building volume and profit together.

But an increasingly large number of shoppers no longer get the same thrill as formerly out of saving nickels in chain stores. The appeal of the wide and fancy variety of goods in the better class independent stores, the comforts of the personal services afforded and the sense of dignity that surrounds the shopper in the store where the presence of the owner is always a humanizing influence, will always tend to restrict the field of the chains within a certain boundary. When that boundary is reached, it becomes a case of the survival of the fittest among the chains themselves. It would seem that in Toronto, that situation has been almost reached in the pure food field, and in other cities in Canada the saturation point is not far off.

In this discussion the important point for the investor to realize is that chain store merchandising demands such a high degree of administrative and merchandising skill that investments in chain store securities must be selected with great care. It takes very great ability to keep in step with the merchandising procession to-day.

A DIRECT COMPARISON

THE City of Montreal has one of the most efficient street railway systems on the continent, giving the citizens excellent service and keeping pace with the growth of Montreal, both in extension of tracks and a purchase of new equipment. The system operates under a service at cost contract with the citizens.

The City of Toronto also has one of the most efficient street railway systems on the continent, giving the citizens service quite as good as that provided to the citizens of Montreal and creditably keeping in step with the city's growth. The system is owned by the city.

Fares are the same in the two cities. Conditions are not unsimilar, topography and snow conditions probably operating against the Montreal system as compared with the Toronto system. Passengers carried in Toronto totalled 185,000,000 in the last operating year that has been reported upon and 205,000,000 in the uniform fare territory of the City of Montreal in its last fiscal period. The two periods overlapped by six months.

A comparison of the results to the citizens under the two systems would, because of the similarity in size and in conditions, seem to be fair. Such a comparison leads to some pointed conclusions.

The average fare per passenger in Toronto was 6.162 cents. The average fare per passenger in Montreal was 6.046 cents. While the difference favored Montreal, it may be taken as approximately true that the street car passenger in Montreal and the street car passenger in Toronto paid the same price for what they got.

During its last fiscal year, the Toronto Street Railway System absorbed its entire revenue in operating expenses. There was no return to the city of Toronto beyond a small sum for taxes not shown separately and so small that when lumped with legal and miscellaneous expenses, the three together amount to only one-tenth of one cent per ticket.

During its last fiscal period the Montreal street railway system returned to the citizens of Montreal over half a cent for every ticket car ride taken by the citizens during the year.

The company paid an annual rental of $500,000 to the city. It paid $250,505 for expenses of removing snow. It paid $336,488 for taxes, permits, etc., in addition to a large sum for federal and other taxes. It paid $186,362 to the city, representing 30 per cent. of its surplus over cost of operation. The citizens got even more than this, for an additional fifty per cent. of the surplus over cost of operation, amounting to $310,603, went into a fares reduction fund and will serve in time to benefit the citizens directly.

The actual cost to the citizen of Montreal for each ride he took in the twelve months to June 30, 1927, was about 5½ cents. The actual cost to the citizen of Toronto for each ride he took in the year to December 31, 1926, was 6 1/10 cents.

The evidence is conclusive that private ownership provides more economical service for the public than does private ownership.

PROTECTING THE 'PHONE

THE telephone is one of the most important tools in the kit of the investment banker. Especially is this true to-day when issues of securities running into millions of dollars are placed with investors within a few hours. If a bond salesman is to give service to all his clients it is essential that he place certain new offerings before them by telephone, and get their answer at once as to whether they will buy or not.

The good-will that has been created for telephone contacts between investment bankers and clients is in danger of being sapped by the growing use of the telephone among promoters of the "boiler room" or "bucket shop" variety. Long distance telephony is inexpensive. A forty or fifty cent call that sells a $1,000 bond eats up only a small fraction of the modest margin of the bond house. When that margin runs up to 25 or even 50 per cent., and sometimes more, as is the case with the more questionable types of investment security selling, it becomes profitable to spend several dollars apiece on ten telephone calls that bring no results, if the eleventh will bring in an order for even $200 of fake stock. While one Newark house was active in Canada, numerous Toronto people received long distance calls that lasted for fifteen minutes or more, the tolls mounting up to nearly $10 a call.

The buyer of securities cannot see the man at the other side of the telephone, and if his suspicions are aroused once, through the nefarious activities of stock crooks, he is apt to balk at any suggestion to purchase securities by telephone. Such a suspicion is not at all necessary. The investor should make it a rule not to buy securities from people he does not know. A long distance call from a reliable investment house with which he is familiar, should be carefully distinguished from a long distance call from an unknown organization. One can have as much confidence in the first as in a written letter or the personal appeal of a salesman who comes to the home or office.

It is not the telephone appeal itself that is dangerous, but the specious argument of the unidentified individual.

Here it may be suggested that the telephone companies are not without their responsibility to curb the improper use of the telephone. The telephone company that installs expensive equipment in the office of a den of stock thieves and permits them to communicate with innocent uninformed investors all over the country, is as guilty of wrong and as negligent of its public trust, as the newspaper which publishes the advertising of known crooks and fakers.

A WORD TO PROTECT

SOME time ago the government at Ottawa promised the trust companies that it would grant no more charters to investment trusts, when the word "trust" was to appear in the title, pending the final determination of a government policy in regard to the matter. But the current issue of the Canada Gazette announces the incorporation of the "Third Canadian General Investment Trust" with a capital of $10,000,000. As the date of the charter was March 13, 1928, it cannot be pleaded that this charter went through before Ottawa's temporary policy was announced. As there are already a "First" and a "Second" company of similar name, formation of a "Third" company is not so serious as would be the incorporation of an entirely new trust under different auspices, but the granting of the letters is hardly in conformity with Ottawa's promise to the trust companies.

The trust companies have a very strong case for reservation of the word in Canada. Trust companies are subject to close inspection of their affairs by government officials. The word "trust" has come to have a distinct significance that gains much from this governmental inspection. Ottawa should either put investment trusts under similar inspection or require them to use words other than "trust" to describe themselves. Government inspection of investment trusts should not be undertaken without serious thought and in fact is not necessary. For that reason the investment trusts should be asked to exercise their ingenuity in selecting names that do not utilize the word "trust."

NEVER TOO BUSY

"TO HIM that hath shall be given," applies with particular force to the choice of directors for large and successful financial and business institutions. There are a number of leading Canadians who hold upwards of fifty directorates and many others who are directors of a dozen or more concerns. Yet thousands of able business men in the country have never been invited to join the board of directors of a bank, insurance company or other institution, where the directors approach the status of public trustees. The result of the current practice is that the busiest men are the most sought after for directorates. When a seat is vacant around a walnut table, the remaining directors often seek to fill it, not with some man who has plenty of time to give to studying the problems of the company, but with some man whose interests are already so broad that one might well wonder how he could ever find even the time necessary to sit in at the meeting, much less study the company's policies and reports.

Commercial West, an excellent paper, published in Minneapolis, in discussing a similar question recalls that there is an old saying that "if you want to get anything well done you must look for a busy man to do it."

Says the Commercial West:

"As a matter of fact, the busiest and most successful type of business man has usually attained a good range of keen vision, an intuitive business instinct, and an alert driving force, which is highly useful in the direction of any kind of undertaking. He does not require to be a specialist in a particular line to get a proper perspective over a given field. He can often see things that the specialist fails to see, even though right under his nose.

"Not only that, but he can spare time from his other and more immediate fields of activity, for the simple reason that he has the gift of efficient organization, method, and of economizing the time of himself and those under him, so that it is unnecessary for him personally to laboriously waste time doing or minutely overseeing the routine work of cheaper men under him, instead of being merely the lever for wisely directing their general activities.

"The really good businessman is usually of the sort that can be readily spared from his own business, for the simple reason that he has so thoroughly adjusted the mechanism of his business, and so perfected its efficiency, that it can automatically and successfully run without his hand always being on the lever."

Perhaps we have in that the reason why Sir Herbert Holt is able to sit on about 135 boards and still remain the driving force, if not the actual executive head, in practically every company to which he lends his affiliation.

EDITORIAL NOTES

LAST WEEK we complimented Prince Edward Island on having its silver fox furs advertised in large space in the New York dailies by a department store in that city. G. G. Hodges, of Montreal, who is selling agent for La Gioconda Shoe Manufacturing Company, calls attention to similar advertising of another Canadian product. R. H. Macy and Company, one of the world's largest and best department stores, located in New York City, advertises La Gioconda shoes in its advertisements. They are made in Montreal by Canadians.

POST-scripts

THE disconsolate trader in mining shares listened to the last click of the ticker and observed that the closing quotation on Howey was indicated as "HY 134-5." This was but little comfort, for he had bought his Howey above $1.60 a share. It was Saturday noon and he went home to ponder on whether he should sell now at a loss or hold out in hope of a higher profit later. He was still thinking of it when he went to church on Sunday morning. Posted on the bulletin board beside the pulpit he saw these letters:

HY 150
HY 208
HY 356
HY 454

Such a prophetic vision could not be ignored. He will not sell his Howey until the ticker reads "HY 454."

CIVIC affairs and civic policies in Montreal have long increased the gayety of nations. It now appears that the daylight saving issue will once again bring about an amusing situation in the city.

Some years ago, the aldermen of Montreal decided not to adopt daylight saving. However, under the auspices of the Board of Trade, the Montreal Daylight Saving Association was formed by the leading business interests of the city. Members of the association on a given date promptly advanced their clocks. For a day or so uproar prevailed; with standard time obtaining in civic offices, but with daylight saving time prevailing in the banks and all the leading business institutions. Finally, the city council were forced to follow the lead of Montreal business men.

This year there is to be a referendum in the city on daylight saving. Once again, the Montreal Daylight Saving Association has circularized its members asking them if they are still in favor of daylight saving during the summer months.

Hence, whether or not Montrealers led by their aldermen vote for or against summer time, it seems certain that Montreal will follow the lead of all civilized centres and adopt daylight saving which has proved such a boon to business men, their employees and to labor generally.

FOLKS and Finance

SELDOM has the little town of Alliston, Ontario, enjoyed a more important occasion than the recent banquet tendered to two of the town's old boys who have become prominent Canadian citizens. These are T. P. Loblaw, head of the chain of stores bearing his name and Frederick K. Morrow, the master mind in many of Canada's biggest financial deals of recent years. Both Mr. Morrow and Mr. Loblaw are interested in companies that are chiefly engaged in providing the world with foodstuffs and they got a few lessons in that art from the ladies of the Alliston Women's Institute who catered for a banquet at which 260 guests sat down.

The banquet was given as an expression of thanks to the two corporation executives for a gift made to the town in the form of the Stevenson Hospital. Mr. Loblaw built the hospital for the town in memory of his grandparents and Mr. Morrow gave him a large sum towards it.

The chairman at the banquet recalled something about Mr. Loblaw's grandparents, the Stevensons. He stated that they were of the hardiest and finest type of pioneer and he told of Mr. Stevenson's first journey afoot, after raising a little crop in West Essa, with sixty pounds of wheat on his back to be carried over the forest trail to Holland Landing. There he got a little flour which had to last a whole year. It was such people as these who endured cheerfully the hardships of early settlement that we have to thank for the splendid heritage we have to-day. He could not conceive of a finer memorial to their memory than a hospital.

Comments

Remarkable Remarks by Interesting People

Rt. Hon. L. C. M. S. Amery: "Canada is a great Pacific power."

* * *

D. Lloyd George: "All superior people are devoid of imagination."

* * *

Dr. Minot Simons, New York preacher: "Most of our fears are groundless."

* * *

A correspondent to the London Times: "The United States is not an English-speaking country."

* * *

Premier Baldwin: "You do not go into politics for what you can get; you go in for what you can give and do."

* * *

Samuel W. Reyburn, former banker, now head of Lord & Taylor, New York department store: "Bankers make a mystery of banking."

* * *

Dr. Charles R. Brown, Dean of Yale Divinity School: "We have too many people who live without working, and we have altogether too many people who work without living."

* * *

Prof. Stephen Leacock: "Our history, as told by a Francis Parkman, is up to the level of even the great American epic of the Civil War, and makes the history of the Middle West look as flat as mud."

* * *

John Walter, co-proprietor of The Times: "This country is nothing more or less than an extension of the British Isles; from what I have already seen I have no misgivings about Canada remaining British."

* * *

Brig.-Gen. Sir Henry Page Croft: "Surely, it is deplorable that whilst the United States should think fit to double their quota of British emigrants, there is hesitation and difficulty in the absorption of our people in the Dominions amongst their own kith and kin."

* * *

U. S. Senator Caraway, of Arkansas: "There is nothing quite so gullible as big business. If I wished to sell gold bricks, I would go to Wall Street. Seldom does a rich man die whose estate does not include large blocks of worthless securities sold to him by people who know his gullibility."

Farmer is Own Boss But Income is Small for Capital Invested

He Works Hard and His Wife Works Hard, But His Possible Income is Less Than His Investment and Labor Warrant

By HON. ERNEST C. DRURY.
Former Prime Minister of Ontario

As was shown in the first article of this series, behind the whole Canadian farm movement in its every phase, organizational, co-operative and political, lies the earnest desire and the settled determination of the farmers to better their economic position, and the conditions of rural life generally.

Every fair-minded person will admit that, in the broader national interest, the farming industry ought not to be in a position where it cannot afford fair remuneration, and decently attractive living conditions to those whose skill and diligence are exercised in it, and a fair return on capital invested. Less than this cannot but result in the deterioration of the rural people, and in the following of such methods of agriculture as destroy rather than build up the fertility of the land. Either of these constitutes a serious national loss. It is therefore pertinent to inquire whether the rewards of agriculture are adequate, and if not, why.

Farmer is Capitalist

The present-day farmer is a capitalist to a far greater extent than his predecessor of forty or even twenty years ago. As farm labor has become scarcer and dearer the farmer has been forced to do two things—to merchandize his farm, and to increase his holdings to a point where his mechanical equipment can be used to advantage. Both have made larger capital investments necessary. In Ontario, as was shown in a survey of farm conditions made a few years ago, and to which I shall refer later, farm investments run all the way from eight or nine thousand dollars for the smaller, to thirty thousand and more for the larger farms. In the West the investment is equally large. In a Western bank I was shown the statements of a large number of farmers, selected at random from among the accounts. These showed investments running all the way from four or five thousand dollars up to thirty or even forty thousand, with by far the greater number in the higher figures. Since these investments are individual rather than corporate, it will be seen that the average farmer is a capitalist on a considerable scale.

Not only so, the Canadian farmer is both laborer and manager on his own farm. As a laborer he probably works longer hours and harder than almost any other class of worker in the country. For Eastern live-stock farmers it is not possible to eliminate labor for a single day the year round. Even Sunday has its quota of necessary chores, and it is difficult to arrange matters so that the whole family can take even one day as a complete holiday. On Western grain farms, of course, the case is somewhat different. There the work is seasonal, and there are two or three months in every year when there is little to do, and when the family, if the year has been especially prosperous, may even take a trip somewhere. This period of rest is, however, more than balanced by the rest of the year, which is a continual and sometimes frantic race with the seasons, where human endurance is the only limit to labor.

Farm Woman Works Hard

The lot of the farm women, too, is, so far as work is concerned, a hard one. Not that, as a general rule they help with the field work, though even this, in some districts, is becoming too common. It stands to the credit of the Canadian farmers that, terribly driven for lack of sufficient help as they have been in very many cases, they have generally preserved their standards in this regard, and have refused to allow their women to take part in the harder and rougher work of the farm.

But, quite aside from this, there is enough, and more than enough, for the farm women to do. The farm home, unlike most modern homes, is still an essential part of the business of making a living. It must, in most cases, provide board for the farm help, and in many cases, and for all at certain seasons, this is a considerable task. Further, the farm women usually do a good share of the work of the dairy, and generally, look after the poultry.

These additions to ordinary domestic duties would give the farm women enough to do, even if the farm houses were equipped with every labor-saving device which modern invention has evolved to lessen domestic drudgery, and if they had an abundance of domestic help. But they have neither. Not one in twenty farm houses are equipped with running water and electricity. These things are much more difficult to procure, as well as more costly, in the country, than they are in the town, and, since nearly all domestic labor-saving devices are dependent on their use, the women of the farms mostly face their work without these artificial aids. Further, domestic help has almost entirely disappeared from the rural districts, drawn by the easier work of town and city homes, and is now scarcely to be had even in cases of emergency. Under these circumstances it is scarcely to be wondered at that farm women are sometimes compelled to over-work, to a point dangerous to health. The wonder is rather, that they have been able to preserve anything like a decent standard of living for their families, and still have a little time and energy to give to church and community and citizenship.

Farmer is Manager

Beyond this mere question of farm work, there is the matter of farm management, which the farmer looks after in addition to his manual work. This is a good deal more intricate and exacting than most people realize. The same difficulties confront the farmer as confront every business man and manufacturer. He must consider cost and selling-price and markets, labor efficiency, and the best use of his land and machinery. He faces the keenest competition from every country in the world, and cannot be helped by such artificial aids as protective tariffs. Further, he not only is subject, like everyone else, to the difficulties which arise from the eternal cussedness of men and things, but in addition, he deals with living organisms, animal and vegetable, friendly and unfriendly, which have their own troubles, and are vexatiously inclined to live their own lives, often quite regardless of the farmers' plans and purposes.

Eternal vigilance, ceaseless attention to detail, and a high degree of special knowledge, are necessary to the successful management of a farm. I fancy a good many successful business men who have taken on farms as hobbies, and have found them good places to lose money, can confirm these facts.

Farmer Incomes Are Low

And now, for all this ceaseless labor, all this care and management, all this investment, what returns do the farmers receive? In the year 1919, Prof. Leitch, of the Ontario Agricultural College, made a survey of farm conditions in Ontario, with a view to determining the best methods of farming, as shown by actual experience. For his purpose he selected groups of typical farms in the beef-raising, general farming and dairy districts of the province. In arriving at the rewards received by the farmer for his management and labor—called by Prof. Leitch, "Labor Income,,—the ordinary receipts and expenditures were balanced, and from the net receipts a sum was deducted to cover depreciation of buildings and machinery, and five per cent. interest on the capital actually invested. The result was the "labor income." the following table, taken from Prof. Leitch's bulletin, shows the labor income of

(Continued on page 10)

"Establishing A New Standard in Automobiles"

Majestic in Appearance
Gigantic in Power—

GRACEFUL lines . . . wide doors . . . clear vision windshield . . . richly comfortable interior . . . two-tone upholstery . . . but a few of its body features . . .

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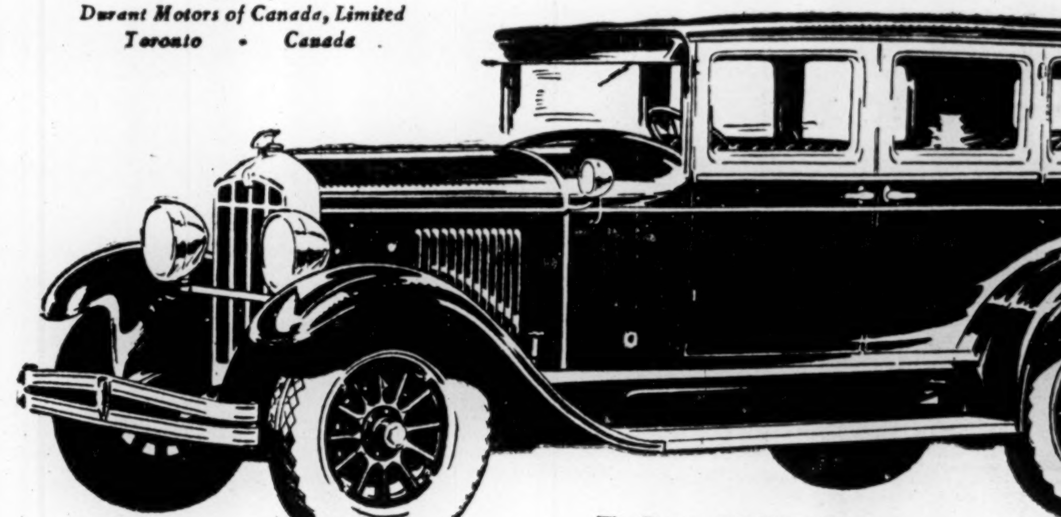

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Built in four models, Four Door Sedan (illustrated), Coupe with Rumble Seat, Four Door Sport Sedan, Cabriolet with Rumble Seat.

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"Does your son John ever come back to visit you, since he got in the movies at Hollywood?"

"Every summer," answered Grandma Tuttle, proudly; "every summer of the three years he's been gone."

"And did he bring his wife with him?"

"Each time," she answered. "And they was three as purty girls as you ever laid eyes on."

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BANK OF TORONTO BUILDING
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Background of Canadian Business

By JOHN E. LANGDON, Business Editor, The Financial Post

WEEKLY REVIEW OF CONDITIONS

Canadian Business Continues Along Healthy Lines
Dollar Volume of Trade Makes Substantial Gain
More Workers Employed at Beginning of March
Iron and Steel Production Takes Sharp Upward Turn
Railway Freight Traffic Movement Heavier This Year

THERE is undoubtedly a perplexity over the business situation which is rather difficult to explain. While conditions in this country are influenced by the state of affairs across the line, which are not wholly satisfactory, there does not appear to be any sound reason as to why Canadian business should hesitate.

Under ordinary circumstances, business men in this country would pay less attention to American conditions, but the extraordinary volume of production in the past two years combined with a buying that seems capable of absorbing an enormous volume of goods, has developed a note of cautiousness. There is no let-up in activity, but on the other hand, such developments as are taking place are along conservative lines.

We in this country certainly have more to be pleased with than those in the United States. Despite the fact that seasonal contractions in certain industries have tended to take on more importance in the past year, fundamental conditions continue to prosper to such an extent that the balance of the year is likely to see the establishment of another year of prosperity.

Bank Debits Gain

During the past month, Canadian business, as measured by bank debits, showed marked expansion as compared with the same month of 1926 and 1927, and, after adjustment for seasonal tendencies and for the shortness of the month, was at even a higher level than in January last.

Bank debits to individual accounts, according to returns compiled by the Canadian Bankers' Association, totalled $3,102 millions in February, an increase of 7.6 per cent. over January, after the usual adjustment, and 35.4 per cent. greater than in February of last year, which was one business day shorter.

An encouraging feature of this phase of business, was that each of the large cities showed gains over the preceding month. The increase in Winnipeg, for example, was 11.5 per cent. Montreal recorded a gain of 8 per cent. during February as compared with January. Vancouver and Toronto, under like conditions, showed increases of 5.8 per cent., and 3 per cent., respectively. Moreover, marked gains were recorded in each of the five economic areas.

More Work Available

Co-incident with the increase in bank debits, employment also shows a moderate gain. At the beginning of March 6,222 of the largest employers of labor throughout Canada reported working forces aggregating 846,095 persons, as compared with 842,066 in the preceding month. This increase of slightly over 4,000, caused the index number to rise from 100.8 on February 1 last, to 101.4 at the beginning of March, as compared with 96.3 and 91.5 on the same date in 1927 and 1926, respectively.

The largest increases in employment took place in manufacturing, while logging, construction, mining and transportation were seasonably slacker. The trend was upward in the Maritime Provinces, Ontario and British Columbia, but in Quebec and the Prairie Provinces, contractions were indicated.

Steel Takes Sharp Jump

As was to be expected from earlier indications, production of pig iron and steel during February was well above average. Pig iron output showed little change from the 65,006 tons reported for the previous month, but was 28 per cent. above the 50,695 tons produced in February of a year ago. On the other hand, production of steel ingots and castings advanced to 98,820 tons during February, or 17 per cent. above January output and 78 per cent. above that reported for the same month last year.

Cumulative records for the first two months this year of both these items are equally encouraging. Pig iron output in January and February totalled 129,697 tons, an increase of 26 per cent. over the 102,412 tons produced during the same period of 1927. For the same two months, steel production amounted to 183,115 tons, an increase of 61 per cent. over last year's corresponding figures.

It will be seen from the above that stocks of pig iron in Canada now must be at a low point. Production of steel is not only up to the output of pig iron, but far in excess. In view of this, it is reasonable to assume that the manufacture of pig iron in the next two or three months will be on a scale greater than for some time past.

Automobile Output Up

One of the principal causes bringing about this satisfactory showing, is the return of automobile manufactures to normalcy. Last month, 10,315 units were turned out, as compared with 6,705 in the preceding month and 19,723 in February, 1927. While comparison with last year's production is not favorable, a survey of output in the past eight months shows clearly the steady progress being made in this industry to bring production up to point comparable to that before last summer's slump.

Since July last year, production of automobiles has averaged about 6,000 units a month. This compares with about 17,000 during the first half of the year and about 14,000 throughout 1926.

The problem of changing and introducing new models has now been accomplished, and while a few potential buyers are awaiting new developments in the automotive field, such as the threatened price war, the majority are going ahead and contracting for spring deliveries so that production should continue to increase until mid-year.

Freight Traffic Heavier

All these favorable factors are reflected in an improvement of railway earnings, through a heavier movement of freight. During the week of March 17, 65,090 cars were loaded on Canadian lines, as compared with 62,497 in the preceding week, and 62,128 in the corresponding period last year.

In many respects, the movement of freight this year corresponds closely with that of 1927 in relation to the 1926 traffic. Last year, car loadings were running approximately 5 per cent. ahead of those of 1926. This year loadings are about 5.7 per cent. in excess of the 1927 movement.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
		Weekly		
Car Loadings (Mar. 17)	65,090	62,128	692,396	665,724
Stock Price Index (Traders—March 15)	335.7	132.3	......	......
C.P.R. Gross Earnings (Mar. 21)	$ 3,670,000	$ 3,290,000	$ 40,668,000	$ 37,398,000
C.N.R. Gross Earnings (Mar. 21)	$ 4,740,474	$ 4,631,971	$ 52,383,898	$ 48,214,383
Production—		Monthly		
Pig Iron, tons (Feb.)	64,691	50,695	129,697	102,412
Steel, tons (Feb.)	98,820	55,620	183,115	114,171
Newsprint, cwt. (Feb.)	189,822	151,986	377,671	313,710
Automobiles (Feb.)	12,504	18,655	20,967	34,031
Boots and shoes, pr. (Jan.)	1,482,914	1,407,163	1,482,914	1,407,163
Flour, bbls. (Dec.)	1,767,000	1,715,000	17,701,000	18,907,000
Construction—				
Building Permits (Feb.)	$ 10,323,405	$ 7,638,176	$ 18,036,009	$ 13,314,713
Contracts (Feb.)	25,875,200	19,517,000	46,355,200	36,289,000
Labor—				
Employment Index (Mar.)	101.4	96.3	......	......
Trade (February)—				
Imports	$ 86,006,897	$ 74,706,654	$ 165,513,314	$ 153,512,286
Exports	$ 84,427,743	$ 85,266,000	$ 84,427,743	$ 85,266,000
Imports of Key Products—(Jan.)				
Rubber, lbs.	5,129,462	4,366,000	5,129,462	4,366,000
Cotton, lb.	19,634,668	21,278,000	19,634,668	21,278,000
Sugar, cwt.	364,827	636,054	364,827	636,054
Petroleum, gal.	58,501,050	52,222,000	58,501,050	52,222,000
Coal, tons	1,223,788	1,562,996	1,223,788	1,562,996
Exports of Key Products—(Jan.)				
Newsprint, cwt.	3,149,326	2,846,574	3,149,326	2,846,574
Automobiles, No.	3,502	7,480	3,502	7,480
Wheat, bush.	15,200,789	12,571,034	15,200,789	12,571,034
Wheat flour, bbls.	765,792	773,981	765,792	773,981
Electric Power—Output—				
M. Kilowatt hours (Jan.)	1,317,736	1,131,212	1,317,736	1,131,212
Population—				
Emigration (Jan.)	5,635	4,555	50,294	59,299
Immigration (Dec.)	4,566	5,415	152,980	136,084
Finance—				
Failures, No. (Jan.)	197	191	197	191
Failures, Liabilities (Jan.)	$ 2,811,418	$ 2,626,292	$ 2,811,418	$ 2,626,292
Bank Debits (Feb.)	$3,101,985,416	$2,295,076,945	$6,501,096,452	$4,911,907,573
Bond Sales (Feb.)	$ 10,583,909	$ 22,266,471	$ 47,468,317	$ 74,149,629
Insurance Sales (Jan.)	$ 47,569,000	$ 36,968,000	$ 47,569,000	$ 36,968,000
Wholesale Prices (1913=100)—				
General Index (Feb.)	150.8	150.3	......	......
Iron	142.1	144.4	......	......
Cotton, raw	152.6	116.6	......	......
Grains	162.6	157.7	......	......
Cattle	148.3	103.9	......	......
Rubber	54.4	60.0	......	......

(*Fiscal year ended July).

Business Conditions in United States

WEEKLY BUSINESS INDICATORS

Weeks ended Saturday. Average 1923-25=100

	Mar. 10 1928	Mar. 12 1927
Bituminous-coal production	106.9	141.4
Lumber production	99.1	92.3
Beehive-coke production	40.8	79.6
Petroleum production (daily av.)	113.1	118.1
Freight-car loadings	....	104.9
Bldg. contracts 37 states (daily av.)	110.0	117.3
Wheat receipts	82.4	61.8
Cotton receipts	46.5	103.8
Cattle receipts	68.7	76.9
Hog receipts	111.4	81.8
Price No. 2 wheat	113.4	95.8
Price cotton middling	69.5	52.2
Price iron and steel composite	86.7	88.9
Copper, electrolytic, price	100.7	94.9
Fisher's price index (1926=100)	96.8	93.3
Bank loans and discounts, total	121.2	114.3
Debits to individual accounts	126.6	112.8
Interest rates, call money	103.0	97.0
Business failures	125.3	113.8
Stock prices	185.4	150.3
Bond prices	110.6	107.7
Interest rates, time money	105.7	102.9
Federal reserve ratio	96.0	102.8

Canada-Chinese Trade Shows Remarkable Gain

Far East Commerce Reports Disclose Fact That Trading Relations Are More Extensive Than Ottawa Reports Would Indicate

From our Ottawa Correspondent

Canada's trading relations with China have grown more rapidly than with any other country, not even excepting Germany with whom the Dominion has built up a post-war trade with startling swiftness.

Trade statistics on China in the government blue books are, perhaps, not quite as reliable as those compiled by the Chinese Maritime customs for the reason that many cargoes destined for China when they leave Canadian ports are frequently re-directed to other countries while on voyage. However, the Chinese customs statistics are sufficiently startling in themselves. The report for the calendar year 1926 has just been issued by the Chinese Government, and it discloses that that the exportation of Canadian produce in that year increased more than 400 per cent. The totals are: 1925, $3,742,720; 1926, $15,849,619. These totals do not include all exports, and if the exportation of silver bullion, lead, and zinc were added the increase in trade would be greater.

Foodstuffs Lead List

This report has been summarized and printed by the Department of Trade and Commerce at Ottawa. It summarizes importation from Canada under fourteen headings, all foodstuffs. The following table gives the comparison between 1925 and 1926:

	1925 taels	1926 taels
Salt herring	454,652	1,153,405
Salt fish n.o.p	13,509	......
Prawns and shrimps	....	8,023
Sea products	2,468	1,492
Condensed milk	......	45,000
Canned goods	2,900	5,713
Cheese	19,791	9,077
Butter	173,010	213,237
Cocoa	22,805	43,006
Bacon	8,541	1,916
Fresh apples	23,214	38,239
Flour	1,488,410	5,240,690
Wheat	2,455,893	13,025,925
Dried vegetables	2,207	1,301
	4,678,400	19,787,034

A tael is worth 80 cents in Canadian money, so that the total figures reduced to dollars are: 1925, $3,742,720.; 1926, $15,849,619.

Metals Also Important

The Canadian figures tally roughly with these statistics, but the Chinese customs report fails to record exports from Canada of non-ferrous metals. These include:

	1925	1926
Zinc	$ 90,243	$ 151,316
Lead in pigs	263,772	800,464
Silver bullion	1,545,648	2,654,895

Take in "E"—

Including these with the former statistics, it is found that exports in 1926 totalled $19,475,294, as against $6,578,063 in 1925. This is a truly remarkable increase and it cannot be explained by any sudden collapse in trade in 1925. It is true that exports in 1924 were greater than in 1925 or any preceding year, but with the exception of 1924, Canadians never sold more than a few million of dollars in goods to the Chinese. The very nature of the business gives the strongest assurance that it is permanent and more likely to increase than decrease.

FARM MACHINERY DEMANDS ASSUME BIG PROPORTIONS

More business is being done in the farm implement trade in Western Canada this spring than at any time in the past fifteen years. An interesting angle of this demand is the amount of cash being paid compared with other years when three year notes were signed by so many farmers for amounts as small as $100 and bearing interest at 7 or 8 per cent.

To-day the majority of these purchases are for cash and retailers are getting their discounts from wholesalers and manufacturers. Plows, harrows, wagons, small tractors and dairying machinery constitute bulk of this volume. Saskatchewan is the biggest field for this business though Alberta is a heavy purchaser.

Ontario fabrications lead in this market, but much business is going to Moline, Ill., Chicago, Detroit and Minneapolis houses. One plow factory at La Crosse, Wis., have five men covering Western Canada and have enlarged their warehouses here 50 per cent. this winter to take care of this trade.

A feature that has been emphasized by the Agricultural College of Manitoba is the way the farmers are buying dairying machinery. But in spite of these signs of increased interest in mixed farming, there are indications that wheat acreage will be in excess of last year by at least 2,000,000 acres.

The movement of mining machinery and electrical supplies in to Northern Manitoba's mineralized field is also accounting for many freight car loads from Eastern Canada and the States. Merchandise of every description is pouring into the West just now with money plentiful.

Home Stock Sales Drive Finances Lethbridge Hotel

From Our Own Correspondent

LETHBRIDGE.—Just what can be done by community effort is evidenced in the new hotel—the Marquis—rapidly nearing completion in this city. The hotel, named for the wheat that spells the economic foundation of this region, will be opened about May 1.

Lethbridge had long felt the need of a modern hotel. The rapid development of the city, the discovery of oil at its back door, the increased influx of tourists, and other factors emphasized the need and a year ago the Board of Trade got behind a movement for a community hotel. A stock company was organized, and a stock selling drive, backed by the Board of Trade and service clubs, was put on, city and country uniting in "putting across" the venture.

Plans drawn called for a $250,000 building fully equipped. It will now reach $300,000. The stock was well-subscribed, a site purchased on the corner of Fourth Avenue and Seventh Street, and the contract let to Bennett and White of Calgary. Construction proceeded during the winter and it has so far progressed that it is pretty safe to say that the hotel will be ready for opening around the first of May.

The hotel is of Spanish design, four storeys of stucco finish, and fully modern. Stores will be located on the ground floor, and these have been taken under long and favorable lease.

The amalgamation of a number of Western Canadian vinegar manufacturers under the name of Western Vinegars, Limited, has just been effected.

A. E. AMES & CO.
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Business Established 1889

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have stood the greatest of all tests—the test of TIME.

For more than half a century they have been a favorite investment of many prudent and experienced investors.

In addition to being an unquestionable security, the Bonds offer special advantages. For example, they are issued as required by investors, for periods and in sums to suit the needs of each individual.

At present the rate obtainable on amounts invested in these bonds is 4¾ per cent. per annum, payable half-yearly. Considering the yield basis on which other high-grade securities are selling and keeping in mind the decided trend towards lower rates, this is a very attractive rate of interest.

Please call or write for full particulars of the Bonds of Canada's premier mortgage corporation. They offer a splendid opportunity for the employment of idle funds.

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ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES
MONTREAL TORONTO WINNIPEG VANCOUVER

DRIVE WITH SECURITY!

No investment offers so much real security to drivers and passengers in Motor Cars as our

NON-SHATTERABLE WIND SHIELDS AND SIDE LIGHTS

Danger constantly surrounds the automobilist. This danger is increased in case of accident by flying glass.
Cars equipped with Non-Shatterable Glass offer a constant protection.

Patented and Manufactured by

PERFECTION GLASS CO. LTD.

91 Don Roadway, Toronto
2977 Hutchison, Montreal
1115 McDougall St., Windsor

Orders having been received in excess of the amount of stock offered, this advertisement appears as a matter of record only.

NEW ISSUE

$1,000,000

H. Simon & Sons, Limited

7% Cumulative Sinking Fund Convertible Preferred Stock

Par Value $100 Per Share

The Cumulative Sinking Fund Convertible Preferred Stock is fully paid and non-assessable; entitled to fixed cumulative preferential cash dividends at the rate of 7 per cent. per annum, payable quarterly by cheque at par at any branch in Canada of the bankers of the Company who are the Bank of Montreal; preferred over the common shares as to assets and accrued dividends in the event of liquidation; callable as a whole or in part at $110 per share and accrued dividends at 30 days' notice; convertible at the option of the holder into two shares of common stock of the Company, without par value. Preferred dividends will be payable June 1st and quarterly thereafter, the first dividend to accrue from March 19th, 1928. Non-voting except in the event of dividends being in arrears to an amount equivalent to six quarterly dividends.

TRANSFER AGENT: ROYAL TRUST COMPANY
REGISTRAR: QUEBEC SAVINGS AND TRUST COMPANY

Capitalization

	Authorized	Issued
7% Cumulative Sinking Fund Convertible Preferred Stock	$1,000,000	$1,000,000
Common Shares, without par value	*50,000 shares	30,000 shares

**Including 20,000 shares authorized for the conversion of preferred shares.*

The letters patent of the Company provide that no dividend may be paid on the common stock which would reduce net current assets below 110% of the amount of preferred stock then outstanding.

Mr. Arthur Simon, Managing Director of the Company summarizes his letter to us as follows:—

Company H. Simon & Sons, Limited has been organized to acquire all the assets and undertaking of a company of the same name, which was incorporated in 1909 to carry on a business established fifty-two years ago in Whitby, Ontario, by the late Henry Simon. From a small initial investment the business has been built up, by father and sons, largely out of earnings reinvested.

In 1902, when the organization moved to Montreal, production was in the neighbourhood of 2,000,000 cigars a year; the present output exceeds 17,000,000 cigars, making the company one of the largest manufacturers of hand-made cigars in Canada.

Business The Company has a wide range of brands, of a uniform quality of tobacco including such well-known cigars as: Simon's Celestials, Simon's Cazadores, Simon's Coronas, Simon's Statesmen, Simon's Roosevelts, Simon's Lily, Simon's Delmonicos, Simon's Panetelas, Simon's Banquets, Simon's Dimples, Simon's Tifani, Simon's Nips, Simon's Vestpacks. These brands, all popular with the Canadian trade, cover a range of price from 6 for 25c. to 25c. each.

Equipment The Company's manufacturing premises occupy four floors covering an area of 40,000 sq. ft. in a modern fire-proof building in Montreal served by a siding of the Canadian Pacific Railway. The plant is organized on most modern lines for the manufacture of hand made cigars and is equipped with hospital and cafeteria for the use of the staff, as well as a school for the training of their employees. The staff of the Company numbers between four and five hundred people. In respect to cigar manufacture Montreal is an excellent labour market.

Earnings Net earnings of the predecessor company, after providing for depreciation, making adjustments for non-recurring salaries and expenses, and allowing for income taxes at the present rate, as certified by Clarkson, McDonald, Currie & Company, Chartered Accountants, have been as follows for the five years ended December 31st, 1927:

1923....$300,513 1925....$168,754
1924.... 202,221 1926.... 171,206
1927....$207,470

The average for the five year period is $210,032, equal to over 3 times preferred dividend requirements of $70,000. In no year of this period were earnings less than 2.4 times these requirements.

After allowing for preferred dividends the balance applicable to the issued common stock has averaged over $4.67 per share annually.

Assets The Canadian Appraisal Company, Limited, certifies the depreciated replacement value of the Company's plant and equipment as of March 1st, 1928, to be $81,685. Net current assets as shown by the balance sheet of the Company as of December 31st, 1927, prepared by Clarkson, McDonald, Currie & Company, Chartered Accountants, are $997,207. Total net assets amount to $1,085,761, which includes a nominal valuation of $1.00 for the Company's very valuable trade-marks, contracts and goodwill.

Net current assets are now in excess of the total amount of preferred stock issued.

Sinking Fund The annual sinking fund for the retirement of the preferred stock, amounting to 10% of the net earnings of the Company after providing for depreciation, income tax and preferred dividends, accrues from March 19th, 1928.

Management The active management of the Company will continue to be in the hands of Mr. Arthur Simon and Mr. Edward Simon, who have been associated with the business for many years. The principal executive positions will be occupied by those who have held them for many years in the Company's service and who have grown up with and contributed to the success of the business in the past.

These shares are offered for sale, as and when received by us, and subject to the approval of all legal matters by Messrs. Brown, Montgomery and McMichael and Colville Sinclair, K.C. It is expected that temporary certificates will be ready for delivery on or about March 21st, 1928.

Price: $100 per share

Application will be made to list these shares on the Montreal Stock Exchange.

Greenshields & Co. Flood, Barnes & Co. Limited

The statements contained in the above are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

30,000 Shares

H. Simon & Sons, Limited

Common Shares Without Par Value

Price: $35 per share

Application will be made to list these shares on the Montreal Stock Exchange.

Orders having been received in excess of the amount of stock offered, this advertisement appears as a matter of record only.

Greenshields & Co. Flood, Barnes & Co. Limited

Pulp & Paper

Technical Position of Canadian Mills Seems Now Improved

New Newsprint Manufacturing Machines Add 1,195 Tons in 1928

U.S.A. BIG FACTOR

Business Conditions Across the Line Will Have Much Important Bearing on Situation

From Our Own Correspondent

MONTREAL.—Although the actual scale of operation prevailing in the newsprint mills shows no betterment, yet signs are not lacking that this year the outlook for the future of the industry is perhaps better than was anticipated some months ago.

The demand for newsprint on this continent still lags well behind the installed capacities of the newsprint machines in the mills. The outlook for the next six or nine months depends on the amount of advertising space bought in the United States. This in turn depends upon the general business level in the U. S. which is improving. Credit conditions in the States continue to be favorable and business can obtain accommodation on easy terms. During February, a greater tonnage of steel ingots was produced than in any previous February. The average daily output for the month reached new high figures.

The automobile output during February was somewhat less than in 1926 and 1924, but not very much less. Building construction in the United States began the year close to the highest volume in history.

Conditions Improving

Discussing the business situation, the Cleveland Trust Company's business bulletin says: "If the producers of iron and steel continue to make and sell their materials in about the present volume for a few more weeks, better reports from other industries will soon be making their appearance."

Economic opinions such as these appear to confirm the probability that business in the States is just about to start on the up-grade once again. If it does, the consumption of newsprint, which in 1926 just equalled 1925, will again move upward with a resulting betterment in the position occupied by the Canadian newsprint industry.

It is to be admitted, though, that installations of new machines are underway. However, the present expansion in the industry is not nearly as great as it was one year, or two years ago, when everything pointed to the over-expansion, which has since resulted.

New Machines Listed

Here is a list of the new machines to enter production this year:

		Daily Tonnage
Anglo-Canadian	April	200
Spruce Falls	September	400
Great Lakes	June	100
Price Brothers	December	200
Thunder Bay	March	100
Murray Bay	May	120
Bathurst	August	75
		1,195

The foregoing figure of 1,195 tons daily compares with an average daily production in the Canadian mills in February of 8,115 tons. From the figures, the proportional increase looks large, except that of this new tonnage, probably less than 800 tons will find its way on to the American market this year.

Tuning-up Important

Some of the Anglo-Canadian output has been sold in England. Price Brothers' additional production will not make itself felt until 1929 and of the other machines coming in, only a percentage of the rated output will be marketed this year because it takes many months of tuning to bring machines up to their capacity output. For instance, if Spruce Falls is marketing 400 tons by the end of the year from its new four machine plant, it will be doing well. Hence, only something under 800 tons a day can be expected to enter into competition with the existing mills this year.

While the Canadian mills produced on the average, 8,115 tons a day in February, yet they operated at only 86 per cent. of their capacity. Thus, the total rated capacities of the mills in round figures amounts to 9,500 tons daily. Of this last figure an increase of 800 tons daily amounts to about 8 per cent. Compared with the rated capacities of all the mills on the North American continent, such an increase this year only amounts to around 5 per cent.

Increase Not Excessive

Over the past 20 years the consumption of newsprint on this continent has increased on the average at the rate of about 6 to 7 per cent. annually, so that the 5 per cent. increase in the productive capacities of the North American mills may be regarded as a not too unsatisfactory figure—provided business revives with a consequent increase in the demand for newsprint. Whatever the statistical position of your industry is, the outlook for the future of the industry depends singly and solely on some business conditions across the border.

During the first two months of this year, though, there has been some increase in the consumption of newsprint in the U. S. Actual consumption figures of newsprint are not available, but from the figures of production it is possible, after taking into consideration the increase in the mill stocks on hand during the month, to arrive at a figure of about 5 to 6 per cent. as representing the increased demand on this continent during the first two months of 1928.

Newsprint Not Stored

As newsprint is purchased only when, as and if required, and is not stored by the newspapers, it can be taken for granted that the 5 per cent. increase in the production corresponds pretty closely to the amount of increased newsprint used during the past two months.

All in all, therefore, what with the signs of better business in the States, the not too large expansion of the industry now underway, and the increased consumption of newsprint during this year, it can be said that the situation surrounding the industry shows signs of perhaps a little improvement. Moreover, the tonnage of newsprint produced in the U. S. seems definitely now to be on the down grade. Machines in that country are being turned over to produce other lines of paper. All of which should help the Canadian mills.

Western Quebec Pulp to Merge Shortly

From Our Own Correspondent

MONTREAL.—A merger of some of the smaller pulp and paper mills and paper using industries is indicated in the formation of the Paper Corporation of Canada which has a capitalization of 35,000 first preference shares, 15,000 second preference shares, 20,000 class "A" common shares, and 30,000 class "B" common shares.

It is thought that several of the smaller companies in the industry are to merge and form themselves into a group which will eliminate a large portion of the sales effort necessary to sell paper to the paper consuming industries. It is not known which companies will be included in the new merger, but it is rumored that the only company in which there is investment interest to be so included will be the Western Quebec Pulp and Paper Mills.

International Loan Assets Total $850,000

The annual report of the International Loan Company for the twelve months ended December 31st last shows assets of $849,145 against $65,215 some 13 years ago. In the same period mortgages and agreements increased from $56,141 to $814,551, and surplus and undivided profits from $10,881 to $128,758.

A more extensive analysis appears in our trust and loan section.

DOMINION BRIDGE YEAR'S DIVIDENDS ALREADY EARNED?

This is Gossip in Montreal as Stock Reaches New High

From Our Own Correspondent

MONTREAL.—Gossip has it that during the current quarter of the year, the Dominion Bridge Company has made sufficient profits to meet its dividends for the entire year. These rumors seem optimistic, for Dominion Bridge now has outstanding 325,000 shares of no par value on which an initial dividend of 65 cents a share has been declared. If the 65 cent dividend rate be maintained every quarter during the year, the dividend requirement will amount to $845,000. This compares with earnings in the last fiscal year after depreciation of $926,156. However, over the past two years the Dominion Bridge has been obtaining larger earnings from its subsidiary, the Dominion Engineering Works. Whether present rumors be correct or not, there seems no doubt at all that the current fiscal year will prove to be the best in the company's history. The shareholders can probably anticipate a bonus on the year's operations.

This week the shares advanced into new high ground for all time. The demand for, and the strength of the stock appears to be due solely to the continued expansion of constructional activities throughout the Dominion. Investors in the company are eye-witnesses of such large structures as the Montreal South Shore Bridge, the Bell Telephone Company's building and the Sun Life building, all at present being erected by the Dominion Bridge. Still other large projects are in hand, in view, or the business is already offering and the Dominion Bridge Company has work in sight which indicates clearly that the next two years should be extremely prosperous.

EXCHANGE SEATS UP

MONTREAL—A bid of $5,100 has been made for a seat on the Montreal Mining Exchange. This is a new high record, being an increase of $100 over the highest bid previously recorded. These figures indicate that since the last sale, which was at $2,700, there has been some spirited bidding for seats on the Mining Exchange.

Pulp and Paper Prices Still Weak

But Kraft Mills and Higher Grade Mills Find Good Market

From Our Own Correspondent

MONTREAL.—With the exception of sulphate pulp, the demand for pulp shows little improvement. During the first two months of the current year, exports of mechanical pulp were marginally below those of the first two months of 1927. Bleached sulphite pulp exports showed a material decline from 38,667 tons in 1927 to 33,722 this year. There was virtually no change in the amount of unbleached sulphite pulp exported during the period. Sulphate pulp exports during the two months jumped up from 23,410 tons a year ago to 26,417 tons. Wrapping paper exports totaled 3,097 tons—about a 9 per cent. increase from 1927. Book and writing paper exports also were substantially larger than in the first two months of 1927.

Prices Still Are Weak

The figures published by the Dominion Bureau of Statistics, covering the Canadian exports of pulp and paper show the dollar value of the exports; from these figures the average price per ton can be obtained. Thus, from the figures it is possible to obtain a satisfactory idea of the trend of prices.

Apparently, the situation in the groundwood pulp market is still most unsatisfactory for prices of the exports were lower this year than at the beginning of 1927. Bleached sulphite remains much as it was a year ago, but there has been a decline in the prices obtaining for unbleached sulphite. Sulphite pulp prices have been so unsatisfactory that earnings of the sulphite companies have been materially curtailed. The only hopeful factor in the situation is the strike in the pulp mills in Sweden which has reduced the world supply materially. From the export figures, though, the sulphate pulp and kraft wrapping paper industry appears to be occupying a satisfactory position for prices are being maintained and exports have increased.

Marketing is Big Problem in Canneries Organization

Chairman of Canadian Canners Warns Against Small Local Canning Factory Promotions

On May 1st next Canadian Canners passes another milestone, and celebrates the quarter-century birthday of its organization. Dealing with this event, officers of the company point out that the nucleus factories of the organization were in operation long before that time, and general employees at present with the company have been with predecessor and present company for more than forty years.

Dealing with the present plant capacity, Mark Bredin, chairman of the board of directors, said at the recent annual meeting:

"There is a tendency at the present time to increase the production of canned foods by the erection of new factories. Communities ambitious to have industries in their midst and knowing that fruits and vegetables will grow in their district in abundance, want canning factories, but they overlook the all important fact that production is of little use if there is not a ready market for the goods packed, and if a little attention were given to the marketing end of the transaction, it is possible that some investors could save themselves considerable sums of money.

"The demoralized condition of the canning industry in the United States during the past two years is strong evidence of what happens when production gradually exceeds consumption.

"It may be of interest to know that we have within our own organization sufficient capacity to take care of the entire requirements of Canada. Our position is a very strong one, and with a large turnover thus reducing the overhead, and with the margin of profit on our containers, which we manufacture ourselves in large quantities, we should be able to market our goods at most attractive prices, and thus increase consumption by popularizing our goods."

Discussing the important part good management had played in the success of the company, Mr. Bredin said:

"Our duty to the shareholders is to see that their investments are carefully and intelligently looked after, and in this connection nothing takes the place of good management, and this we can assure our shareholders, that they have in our general manager, W. R. Drynan, and that he is also surrounded by a very able and efficient staff, a number of whom are on your board of directors."

Says Wayagamack Pulp Earns $10 a Share

From Our Own Correspondent

MONTREAL.—That the Wayagamack Pulp and Paper Company is earning over $10 a share is contained in a circular on the company published by Mathewson, McLennan and Molson, members of the Montreal Stock Exchange. The stock brokerage house indicates that present prices of the shares are out of line with comparable securities and that in the event of a merger the shares would change hands at higher levels. An increase in the dividend is forecast also.

In the fiscal year ending November last, Wayagamack earned $7.27 a share. As there has probably been some betterment in earnings, the $10 per share estimate is probably fairly accurate.

The year 1927 was a record one for New Brunswick tourist traffic and indications are that this will be surpassed this year. Preparations are being made to accommodate a greater number of visitors.

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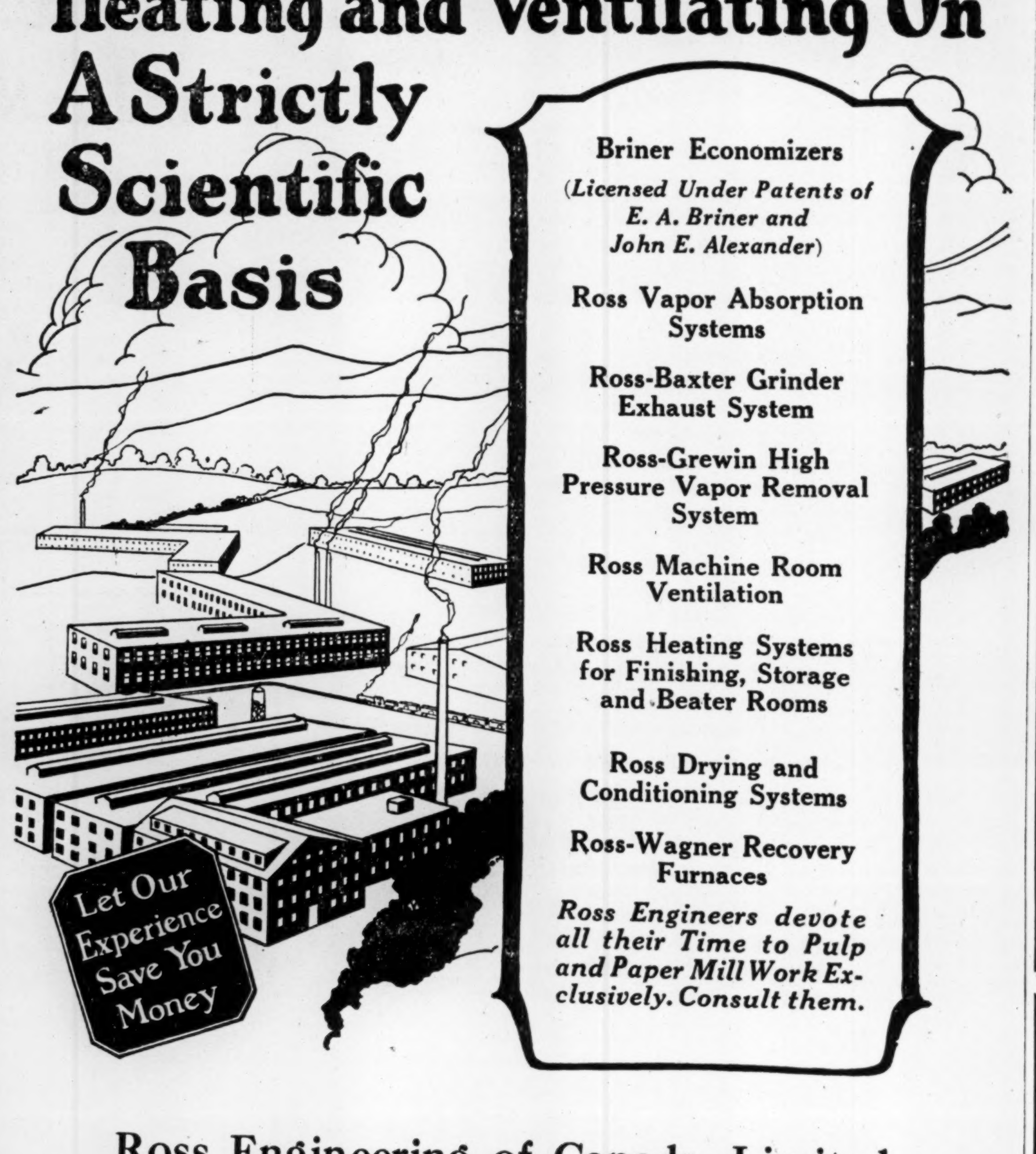
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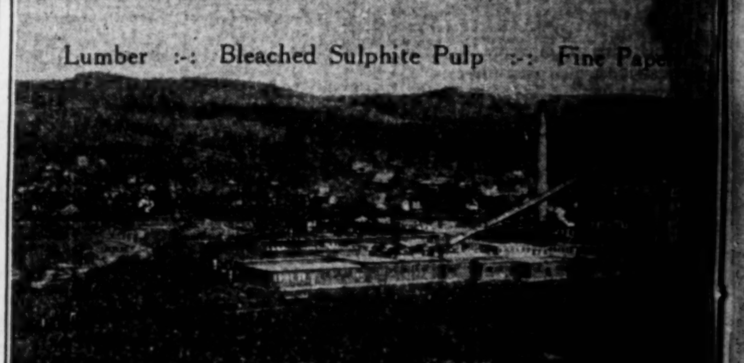

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

International Power

What are the investment merits, or demerits, of the International Power Company's preferred shares. They are included in a business man's holdings.

International Power preferred shares look like an attractive business man's high yield investment to us. Due to the diversity of this holding company's assets, its earning power should be stable and should tend to increase from year to year.

Donnacona Paper

I hold some Donnacona Paper Company bonds. There are $7,000,000 of this issue outstanding. Are they a good investment?

Price Bros. paid about $3,000,000 for the common stock equity in the Donnacona Paper Company recently. Ranking also after your bonds is a [illegible] issue of debentures. Hence we feel that the $7,000,000 issue on the property is amply secured both as to assets and as to earnings and that the bonds are a good investment.

Real Estate Bonds

What is your opinion of the Cawthra Apartments, Drummond Investment Co., and St. Catharine Realty Corp.

The real estate bonds mentioned in your letter are suitable for long term investment. The Cawthra Apartments of Toronto are apparently doing well, although no financial statement has been issued recently. Both the Drummond Investment and St. Catherine - Stanley Realty Corporation, of Montreal, are two in the better class first mortgage real estate undertakings in that city.

Wright Automobile

Some salesmen of the Wright Flexible Axle Automobile are here trying to sell stock in a company to manufacture the car. What do you think of their proposition?

We strongly urge you to have nothing whatever to do with The Wright Motors, The Wright Flexible Axle Automobiles or the salesmen who are offering units of these securities.

From time to time, The Financial Post has indicated that the securities of this organization have no investment or speculative merits whatsoever when compared to other securities.

The undertaking is backed by Labor Unions. In our opinion many Union men have, without a knowledge of other securities, made an unwise investment in this issue.

Canada Gypsum

Give me an idea, please, of the investment standing of the new bond and preferred stock offering of the Canada Gypsum and Alabastine.

The Canada Gypsum and Alabastine has issued bonds and debentures and not bonds and preferred stocks. The first mortgage bond issue totals $2,500,000 and the debenture issue amounts to $1,000,000. 000,000.

The net assets of the company, excluding patent rights, goodwill and sundry assets, have a total appraised value equivalent to more than two and a half times the total debentures outstanding, after deducting the first mortgage bond.

Consolidated earnings of the component properties last year after deducting all charges including bond interest amounted to 8.4 times the annual interest requirements on the debentures. This last figure, though, does not take into consideration Dominion income tax which, however, is a relatively small charge.

Hence, the first mortgage bonds look like a sound industrial investment and the debentures appear to be an equally satisfactory investment in the debenture class.

A satisfactory sinking fund for the retirement of the debentures commences September 1 next year and thus the funded debt of the company will be reduced substantially each year.

Fraser Companies

What are your views on the outlook for the common shares of the Fraser Companies? I have been told that they are a good buy for a short hold.

There sems little to indicate any immediate appreciation in the common shares of the Fraser Company. However, before the end of the year, the company will begin to reap the benefits of its large expansion program now under way. Hence, as a long hold the shares are a satisfactory purchase in their class. In our opinion, the company is well managed and should do well in the future. Its profits depend upon the market for fine paper and for pulp in the United States. These markets are depressed at the present time and it may be a year or two before they improve. However, in 1927 the company made satisfactory profits despite the hesitancy in the pulp and paper market.

International Utilities

Are the B shares of International Utilities a good buy?

International Utilities "B" shares at present prices may only be regarded as an out and out gamble. Nevertheless they are a gamble which has attractive features. While the company has lost some of its franchises in Western Canada, yet net earnings in 1927 showed a better than substantial increase over the preceding year.

The diversity of the International Utilities holdings should make for stability of earning power and as the company operates utilities, earnings should grow in future.

There is a possibility of the company having oil under its lands in Western Canada. Drilling on these areas commences this summer. We think that International Utilities "B" might well be included in a group of out and out speculations held by a business man.,

Wants High Yield

Could you suggest a safe first-mortgage bond yielding 6½ per cent. or better?

It is quite impossible at the present time to buy a first mortgage bond of the highest grade yielding 6½ per cent. Interest rates during the past few years have declined.

Sound first mortgage bonds such as the general mortgage issue of the Canada Steamship Lines yield at the present time only 5.5 per cent.

However, there are some bonds yielding over 6 per cent. which look attractive to us. Naturally they cannot, however, be compared to issues yielding around 5½ or 5¾ per cent.

You might be interested in the collateral trust bonds of the Canada Northern Power Corporation yielding 6.1 per cent. The French Line external issue yields 6.33 per cent. Northwestern Utilities 1938 bonds yield 6.4 per cent.. These are interesting issues. You can of course get materially more than 6 per cent. from bonds of some of the Latin American Republics. In many instances though, these would have to be regarded as an investment for a business man.

The first mortgage bonds of the Lake St. John Power and Paper Co. are an excellent issue which we believe will sell higher. The present yield is 6.2 per cent. The mortgage debentures of the same company yield 6½ per cent. The debentures of course rank after the first mortgage bonds. But both in our estimation are sound issues for the mill is just getting into operation and can operate at capacity because it holds a long term contract for its production of paper with the Hearst interests in the United States.

General Steel Wares

The General Steel Wares preferred is not listed on the markets. Has this any particular significance? What do you think of the preferred shares as an investment for a business man?

The fact that General Steel Wares preferred is not yet listed has no significance. It will not be long, though, before the stock changes hands on the market. We believe that the common shares will be listed also.

We regard General Steel Wares preferred as a satisfactory investment for a business man. Earnings of this new merger company are increasing and it operates under an able management. The earnings record of the component companies in the past does not lend any attractiveness to the preferred stock issue. But we learn that many economies and savings have been effected through the merger. Moreover, it is our opinion that the stock is more attractive than was indicated in the circulars issued at the time the stock offering was made to the public. In any event, we learn from the best of sources that the merger has worked out well and that profits are decidedly larger than were anticipated.

Canadian Bronze

I hear that the profits of Canadian Bronze are improving. Could you confirm this for me. What is the future outlook for the shares marketwise?

It is impossible to obtain any official announcement touching the current earning power position of Canadian Bronze, but from absolutely reliable sources we learn that earnings for the year to date are very substantially in excess for the corresponding period of 1927.

In 1927 the company's earnings were at the rate of about $7.25 per share. The annual report covering 9 months of operation showed earnings of $5.44 per share for the period.

Up to the present, it has been the policy of the management to strengthen the position of the company by applying earnings to the redemption of the outstanding preferred stock. Probably in the future, this policy will be maintained. However, there are persistent rumors that the management will also consider placing the stock on a $3 annual dividend basis shortly. This also seems to be more than a possibility.

But whether or not the stock goes on a dividend basis, it will hardly affect its prices for stock market prices are dependent on the earning power, rather than the dividend rate of any corporation.

Beauharnois Power

Is it possible to buy shares of the Beauharnois Power Company? It looks to me to be a promising development. I happen to hold some shares of Montreal Power and Shawinigan. Do you not think the Beauharnois undertaking will affect the price of my shares in these other two companies?

We do not believe that the operations of Beauharnois Light, Heat and Power Company will affect adversely the operations of either Montreal Pcwer or Shawinigan. The Beauharnois project will sell power in large blocks to industries which will locate in Quebec. It might sell large blocks of power to some of the present companies operating in Quebec also. But the management of the company has definitely assured the provincial government that it will not erect non-economic and competing transmission lines in an endeavor to seize territories already served by other companies. Hence, in our opinion, this new project will have no affect whatever on your holdings.

It is impossible to obtain any securities of the Beauharnois Company yet. If, and when the sponsors of the project obtain the necessary rights from the federal government, securities in the undertaking will doubtless be offered to the public. The Quebec government has already sanctioned the development.

Wants Speculation

I realize fully that it is quite impossible for you or anyone else to pick with certainty satisfactory stocks for a quick turn. Nevertheless, I am asking you to name three or four stocks which in your opinion give indications of appreciating in three months. Whether they move up or down, you can be sure that I shall not complain later. I followed your advice given at the beginning of the year covering a group of speculative stocks, and while some have done nothing yet, on the lot I have done more than satisfactorily. Hence I want to follow your advice once again.

The market is at present at high levels. Therefore it is extremely difficult to pick stocks which will appreciate in three months time.

We think that you would be well advised to invest some of your funds in Quebec Power. This, of course, is an investment stock. Nevertheless, we feel that you would be well advised to pick up some of the shares. But it may be three months or six months, or perhaps nine months, or a year before you can anticipate developments which will improve the position of the shareholders. There is no doubt though in our minds that such development will occur.

General Steel Wares common shares are in the investment class. They are, of course, an out and out speculation. But in this class we believe that the shares are attractive. They might be a six months hold though.

Earnings of the Dominion Bridge Company are increasing and therefore we feel that as a business man's hold for a few months the shares have attractions.

An out and out speculation is Canadian Vickers common which should benefit by the constructional activity now prevailing in Canada and by the increase in the demand for aircraft. It appears to be more of a speculation than Dominion Bridge. The stock changes hands between brokers in Montreal.

Fanny Farmer common, Sudbury Basin mining and Pelissier's are all in an interesting stage.

Northern Bakeries

I am considering buying Northern Bakeries stock. Do you think it is a good buy and what are the prospects?

Northern Bakeries are engaged in an essential industry, and the shares are a good speculation for a long hold.

For the first five weeks' period of 1928 this company earned double the profit rate for the same period of 1927.

International Petroleum

I would like to have your opinion on the following stocks, say, for a hold of six or twelve months at present quotations: Seagram, and rights; Brazilian (new); International Petroleum; Farmers' Dairy (new com.); Industrial Alcohol and International Nickel.

Seagram shares seem all right for a very long hold; and the Brazilian and International Petroleum are good. International Nickel should turn out right for a good long hold; and also Industrial Alcohol. The new Farmers' Dairy common is less attractive than the others mentioned.

Algoma Steel

Please give me your report on Algoma Steel Bonds as a conservative investment.

There has been no recent change in the condition of the Algoma Steel Company, about which rumors of reorganization have been mooted. The operating outlook for the company has improved considerably over last year; and the reorganization is for the purpose of going forward with an extended operating plan. The bonds are not a conservative investment but a gamble. You will find in this issue particulars of an offer for these bonds which places a nominal value of $60 on them.

United Grain Growers

We will be glad to have your opinion concerning the recent new issue of capital stock of the United Grain Growers Limited, as an investment for one who presently is in a comfortable financial position.

The United Grain Growers, Limited, have a record of substantial earnings on capital during the past 21 years, and their securities would seem to be a good investment. The market, however, is mostly made up of farmers and this accounts in some part at least for the price of the stock, as transfers are not so frequent as with industrial issues. For a farmer eligible to buy stock, the issue is a good one.

Pelissier's

Can you give us a "Corporation Analysis" of Pelissier's Ltd., Winnipeg brewery? We have had of late inquiries for this company.

As Pelissier's Limited present company is of only recent birth, it is impossible to give a corporation analysis. The circular issued at the time the issue of $450,000 7 per cent. cumulative, convertible preference stock was made, contained considerable information as to the company's earnings for the better part of 1927 and also shows how sales have increased during the past three years. Earnings are stated to be higher this year, and the shares seem to offer exceedingly interesting possibilities.

Consolidated Food

I would appreciate your opinion as to the future possibilities of the common stock of Pure Food Stores into which shares of Arnold's Limited are transferable.

I would also appreciate your opinion regarding the new Seagram Common Stock.

In our opinion, Seagram common stock offers attractive possibilities for a long hold.

Pure Food Stores and Arnolds, Limited, have consolidated under the name Consolidated Food Products. The basis of exchange of shares was one share of Pure Food Stores for two shares of Consolidated Food; and Arnolds was exchanged share for share with Consolidated Food. The shares are exceedingly speculative.

Besco Shares

Do you not think that at present price levels some of the British Empire Steel shares are attractive?

You do not say which securities of Besco you are contemplating purchasing. However, the situation surrounding Besco is so speculative that it is impossible to give you a real idea of the investment or speculative merit of its shares.

Some of the factors affecting the company include the economic situation in Europe where Besco sells a large amount of iron ore. There is the possibility, or perhaps the probability, of some government legislation which will allow the industries to operate under better conditions. There is a re-organization under way in which the holders of Besco and its constituent companies' securities will have the par value of their holdings materially scaled down. The steel plants of the Dominion Iron and Steel Co. are still operated by the receiver. The steel plants are, of course, one of the chief properties of the corporation. Then again there always exists the possibility of a recurrence of labor troubles either in the coal or the steel industry.

We think that you will agree with us, therefore, when we say that with all these factors and numerous other ones affecting the future of the companies, it is really impossible to give you a real idea of the speculative merits or demerits of the shares of the various companies.

But perhaps we have painted only one side of the picture and not mentioned the fact that Sir Herbert Holt and his associated interests now control Besco. It is our opinion that if any one can place these Nova Scotian industries on a firm footing it is Sir Herbert Holt. Ever since Holt arrived from Ireland he has made a success of everything he has touched in this country—a success in which he has taken care to see that the shareholders benefited proportionately and equitably.

Hence, we are inclined to feel that since the advent of Sir Herbert Holt into the Besco picture, the outlook for the industries themselves has improved materially. But this does not necessarily mean that the present prices of the shares of Besco does not discount entirely the advent of new interests into the British Empire Steel Corporation picture. If you want to take a long hold gamble some of the Besco second preferred might do well for you. You must regard it as a gamble though.

Burrard Packing

Will you kindly say if Burrard Packing Co. bonds are a safe investment?

From the information available, the bonds of the Burrard Packing Co., Ltd., appear to be only a fair investment. Estimate of their annual profits after sinking fund also appears pretty high for a new company entering this field.

Heuther Brewery

A client holds the following: 24 shares of Heuther Brewery pref., 6 shares Heuther Brewery Common.

What is this stock worth at the present time and what do you think of its future prospects.

We are unable to get any accurate information regarding the Heuther Brewery. This is evidently one of the smaller brewing companies that have sprung up in the past few years of which there is little or no public investment interest.

Page-Hersey

I was induced to buy Page-Hersey common at 96. What chance is there of making a profit? Is it likely to get back to its former high within a reasonable time. I would appreciate your opinion.

The common stock of Page-Hersey is attractive for a long hold. In the past months the company has entered into negotiations with various parties as to the expansion of business and this in turn may have a favorable effect upon its earnings in the future.

Gotfredson Corporation

Would appreciate through your columns in The Post some information regarding Gotfredson Corporation, Ltd.

Gotfredson Corporation represents a fair investment. This company has been in operation a number of years producing trucks, taxicabs, motor buses of various types. While their name is well and favorably known, it should be remembered that the truck and bus field is highly competitive. The company is well managed.

Home Oil

I own 100 shares of Home Oil stock. Would you suggest that I hold these for a period, or dispose of them at the present market? Incidentally, do you consider the prospects for appreciation to be favorable, and do you figure the management is in capable hands?

Home Oil is a promising speculation in good hands. The property is located in the Alberta oil fields.

We understand that the company has met with considerable success in its drilling operations and that it is meeting with encouraging results, since it has entered the distributing field. We think it would be worth your while holding the stock for a time during which you will be able to form a definite idea of the possibilities it affords. The company is also active in the distributing field in the coast.

Consolidated Food

Have you any information relative to the merging of the common stock interests of Arnold Bros, Ltd., and the Pure Food Company? I note the Arnold stock is somewhat depressed in the market and that the tendency of this stock has been downward for the last year.

A short time ago the announcement was made with regard to the consolidation of Pure Food Stores and Arnold Brothers, Limited. Under this merger common shareholders of Pure Food Company received two shares of Consolidated Food Products, the new holding company, for each share held, while the shareholders of Arnolds received one for one.

Consolidated Food Products, as you probably know, is the holding company for Arnolds and Pure Food. There will be a central management for the two companies, but aside from that each will have its separate corporate entity.

Hold For Appreciation

I have about $1,200 to invest in some good common stocks. Am prepared to hold for four or five years if necessary for appreciation. Have been thinking of Shawinigan Water & Power, Toronto City Dairy, Canadian Pacific Railway, Pelissier's, Ltd. Could you recommend brokers to handle this? Can you recommend any good mining stock?

Investment in the common stock of Shawinigan Water and Power, Toronto City Dairy and Canadian Pacific Railway would undoubtedly show you a very substantial return over a period of four or five years.

The recent stock issue of Pelissier's Ltd., was handled by Harley Milner and Co., of Toronto. There is already an active market for the security. It has attractions.

At the present time there are three attractive mining stocks which are Howey, Sheritt-Gordon and Sudbury Basin. These companies appear to have the making of big mines and stock bought now and held over a period of years should show substantial returns to the holders.

Hayes Wheels

Is it generally considered that the dividend on the first preferred stock of Hayes Wheels and Forgings is reasonably secure? How does the annual report compare with dividend requirements?

In your last issue there was an article on the possibility of a merger of the two principal fishing companies on the B. C. coast—Gosse Packing and B. C. Fishing. If such negotiations should ever be concluded, would it be posible to suggest how Gosse shareholders would fare as a result.

While Hayes Wheel and Forgings, Limited, did not do as well in 1927 as was anticipated at the beginning of the year, nevertheless their fiscal position is comparatively strong and the company should have no trouble in meeting its preferred stock dividend requirements. At the present time, the management has made a number of moves designed to make the company less dependent upon the automotive trade for the better part of its business. In this connection, they have already entered the rubber manufacturing business. Through other subsidiaries, it has entered into the manufacture of different products designed towards the same end. It may be some time before the new ventures return profits to the company, but in time they will undoubtedly greatly enhance the earning power of the Hayes Wheel and Forgings, Limited.

At the present time, the merger between B. C. Fishing Co. and Gosse Packing Co. has not resulted in any definite understanding. Such a move would undoubtedly greatly benefit both companies, not only by reducing overhead expenses in connection with their fishing operations, and packing of salmon, but also in the cost of selling their products. In the event of a merger, the shareholders of Gosse would probably receive preferred treatment.

Brazilian Split

One of my family bought two shares recently of the old stock of Brazilian traction. I notice the split of four to one took place before these shares were bought. The price paid was $205½ per share. Was this a wise transaction, and what is the best thing to do with these shares now?

You are evidently under the impression that the Brazilian stock you bought at $205 a share was the new. You bought the old stock which has been split four to one. If you will write to the secretary of the Brazilian Company at Toronto, he will make arrangements for the transfer of your old stock for the new.

Foreign Bonds

I am holding some German, Hungarian, French and Russian bonds, and would like to get in touch with a publication devoted to foreign bonds.

There is no publication devoted exclusively to foreign bonds. I would judge from your letter that the German, Hungarian, French and Russian bonds that you are now holding are those issued during the war. Consequently, I doubt if they have very much value. However, if you will get in touch with some of the investment houses in either Calgary or Edmonton—you will find their advertisements in the columns of The Financial Post—they will be able to give to you complete and accurate information as to the present value of your holding.

Associated Quality Canners

I have been advised to buy Associated Quality Canners at $25 a share. Kindly let me know if this is a good buy.

Associated Quality Canners, Ltd., is the consolidation of a number of canning companies operating in Ontario. It is claimed that under this merger numerous economies will be effected in management, overhead expenses, selling expenses, etc., which will greatly strengthen the physical position of the company.

The products of the various companies going to make up the new consolidation are well and favorably known. A business of this type, however, is largely influenced by crop conditions and its earning power subject to fluctuation. We consider this as a business man's investment.

York Street Building

I am a subscriber to your paper, and I am thinking of purchasing a 6% First Mortgage Bond of the York Street Buildings. Would you recommend this as a good investment for a part of my savings?

The first mortgage bonds of the York Street Building represent a good investment.

This company has leasehold property in down-town Toronto, where it has erected a modern building. The earnings of the company over the past few years have been very good—more than sufficient to meet bond interest requirements.

The present issue is for the purpose of clearing up the old bond indebtedness as well as providing sufficient capital for the erection of two more storeys on the present building. This shbuld considerably add to the earning power of the company and provide an increased measure of safety on the present bond issue.

Dominion Bridge

Would you give me your valued opinion on Dominion Bridge common? What do you think of this stock for the long pull?

As a business man's purchase the common shares of the Dominion Bridge Company undoubtedly look very attractive. The company has contracts on hand to last over two years, and the outlook for constructional activity in the Dominion this year is excellent. The earnings this year will probably exceed those of 1927 materially and we are inclined to feel that the shares give every indication of appreciating this year.

You must remember though, that the shares have a speculative tinge. You cannot buy the stock and put it away for a term of years without watching it fairly closely. The reason for this is that the bridge building industry in Canada is over expanded and hence the Dominion Bridge Company's earnings have fluctuated widely in years gone by.

For the current year to date, building permits issued are largely in excess of a year ago. The company depends for earnings on the amount of construction going on throughout the Dominion. There is little doubt that the company will continue to obtain its share of the business offering.

Drummond Syndicate

Please give me information concerning Drummond Syndicate.

The Drummond Syndicate owns forty claims of 1,600 in the Woman Lake district. The company informs us that only on one group of sixteen claims, located between the Picard and Jackson-Manion properties, has development work been carried out. Work closed down here in December and has just ben started again. It is proposed to carry on a diamond drilling campaign and to secure the services of a competent mining engineer.

Of the Syndicate's other groups, one lies immediately south of the Dunkin-McBain property; another adjoins the Federated; a third lies next to the Reditt—Red Lake property, and a fourth adjoins the Mint Ore. No development work has been carried out on any of these claims and we are informed the Syndicate's intention is to await the results of development work carried out on the adjoining properties.

These properties are favorably located from a geological standpoint but at the present stage must be considered very much of a gamble.

For the construction and maintenance of main highways during the coming year, Alberta intends to spend approximately $1,970,000 or an increase over last year's expenditures of $871,592.92.

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When Women Invest

More Than 100 Will Lose From Investment in Ill-fated Department Store Enterprise

A WEEKLY FEATURE

Of 350 persons who bought the income bonds of Canadian Department Stores, Ltd., a little more than a year ago, a large proportion are women. A list which has just become available reveals that about 120 women either own the bonds outright or are joint owners with men. From information which already has been published in The Financial Post, it is probable that these bonds will be surrendered for 50 cents on the dollar if, and when, an offer for purchase of the properties is accepted by the bondholders and the creditors.

The offer which returns the income bondholders half their investment is the best of three offers which were received by G. T. Clarkson and A. S. Crighton, joint custodians of the properties in bankruptcy.

Just Business Man's Risk

A large number of these bonds are held by former owners of the 21 stores which were brought into the merger, and among the shareholders in the individual companies were a number of women. These alone among women were justified in holding the income bonds as investments, for they did not pay cash for the bonds, but accepted them in payment for inventories, etc., which, events have indicated, were not readily convertible into cash at a profit.

In answering an inquiry from a reader some months ago, The Financial Post stated that the income bonds of Canadian Department Stores, Ltd., were not a suitable investment for a widow. The correct classification of the bonds, it was stated, was as a business man's investment because they were "somewhat speculative." There was then no sign of trouble with the company.

Of the 120 women who bought bonds, and apparently paid cash or its equivalent for them, there are few who contributed more than $1,000; only one invested so much as $5,000. The majority contributed from $100 to $600 to the enterprise. It is worth noting, and it may be significant, that rural routes predominate among the post-offices addresses as compiled by the custodians. Except for the holdings of former store-owners, the larger places are conspicuous by their absence from the list. The total of the women's holdings is about $130,000. This means that women will have lost not less than $65,000 in this enterprise.

Yield Was Alluring

It is probable that purchasers of these bonds were seeking a high yield and gave not enough consideration to safety of principal. There are many good bonds available for investment which give a reasonable yield, but the fact that these were offered on a 7 per cent. basis indicated an element of risk. They are a first mortgage on only one of the 21 stores, although this store is one of the largest in the group.

If women insist on taking risks that men take in investment, they would be better off if they would confine their purchases to the common stocks of the sound public utility, or even the industrial companies. Utilities are essential; many industries are essential. Purchase of common stocks in these enterprises will bring a low yield at the moment, but there should be a gradual increase in dividends which would bring the average yield, over a term of years, to a higher figure than can be obtained from speculative preferred stocks and bonds, especially if, as in this case, a large part of the capital is to be lost.

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Suitable for Widow

Will you kindly advise me if you consider the following securities suitable for a widow?

1. P. Burns preferred; 2. Debentures of Canada Power and Paper Investment Securities Ltd.

P. Burns preferred stock has behind it a record of successful operation since the year 1890 when the company was organized in Calgary. This security can be recommended, as it has several million dollars of assets behind it, as well as the good earning record referred to.

The Canada Power and Paper Investment Securities, Limited, would be more suitable for a business man than for a widow, the requirements of the latter probably turning more towards gilt-edged securities.

The bank was closed for the day, and the clerks were finishing up their work, when the manager came out of his room and asked if the cashier, a Scotsman, had gone home.

"No, sir," replied one of the clerks, "he must be in the building."

"Are you certain?" asked the manager.

"Quite certain," was the reply, "there is a 2-cent stamp on his desk."

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Canada Advances Amazingly in Year

Striking Story of a Single Year in Canadian Development Told by Statistical Comparisons

By FRANK YEIGH

PRODUCTION—(AGRICULTURAL, ETC.)

		Increase in a year
Canada's total production (Agriculture, Forestry, Mining, Electric Power, Building, Manufacturing, etc.)	1926—$5,656,241,621 1927—$5,755,796,700	Increase $119,055,076
Dairy Production—	1925—$241,069,320 1926—$249,710,067	Increase $ 8,640,747
Field Crop Values—	1926—$1,105,528,000 1927—$1,141,367,000	Increase $ 35,839,000
Montreal Grain Shipments—	1926—166,212,235 bus. 1927—194,435,569 bus.	Increase (bus) 28,223,334
Gross Agricultural Wealth—	1924—$7,508,257,000 1925—$7,832,942,000	Increase $324,685,000
Field Crop Yields—	1926— 977,075,500 bus. 1927—1,057,132,300 bus.	Increase (bus.) 80,056,800
Wool Production—	1926—17,998,960 lbs. 1927—18,672,766 lbs.	Increase (lbs.) 662,870
No. of Live Stock—	1926—19,470,991 1927—20,551,590	Increase (No.) 1,080,599
Fruit and Vegetable Packing Industry—	1924—$27,047,963 1925—$30,399,177	Increase $ 2,704,903

BANKING AND FINANCIAL

Bank Deposits (Demand and Notice)—	Dec. 1926—$1,981,652,491 Dec. 1927—$2,128,959,946	Increase $147,307,455
Bank Assets—	Dec. 1926—$2,939,900,798 Dec. 1927—$3,231,658,305	Increase $291,757,507
Bank Note Circulation—	Dec. 1926—$175,083,234 Dec. 1927—$182,747,049	Increase $ 7,663,815
Bank Reserve Fund—	Dec. 1926—$125,441,700 Dec. 1927—$135,566,700	Increase $ 8,125,000
Bank Call Loans in Canada—	Dec. 1926—$150,946,494 Dec. 1927—$241,964,697	Increase $ 91,018,203
Current Bank Loans in Canada—	Dec. 1926—$ 970,053,595 Dec. 1927—$1,082,732,324	Increase $112,678,729
Canada purchased her own Bonds in	1926 to extent of $249,056,387 1927 to extent of $305,461,186	Increase $ 56,404,799
Canada's Net Debit—	Dec. 31, 1926—$2,343,364,000 Oct. 31, 1927—$2,269,317,000	Decrease $ 74,047,000

MINING

Mineral Production—	1926—$240,437,123 1927—$241,773,000	Increase $ 1,335,877
Coal Output Value—	1925—$49,261,951 1926—$59,875,094	Increase $ 10,613,143
Coal Exports—	1926—1,028,200 tons 1927—1,113,330 tons	Increase (tons) 85,130
Canada's Coal Consumption—	1926—33,506,070 tons 1927—35,551,263 tons	Increase (tons) 2,045,193
Canada's Total Coal Output—	1926—16,478,131 tons 1927—17,411,505 tons	Increase (tons) 933,374
Steel Output—	1926—776,885 tons 1927—907,638 tons	Increase (tons) 130,750

FISHERIES

Fishery Production—	1926—$54,781,000 1927—$59,291,000	Increase $ 4,510,000

FORESTS

Forestry Production—	1926—$450,000,000 1927—$489,405,000	Increase $ 39,405,000
Lumber Production—	1925—$134,413,845 1926—$135,182,592	Increase $ 768,747

MANUFACTURING

Manufactures Production—	1926—$2,751,800,000 1927—$2,760,700,000	Increase $ 8,900,000
Machinery Industry—Selling value of products—	1925—$30,462,650 1926—$38,380,019	Increase $ 7,917,369
Machinery Industry—Capital employed—	1925—$55,431,604 1926—$59,711.942	Increase $ 4,280,338
Primary Iron and Steel Industry—	1925—$32,909,463 1926—$41,883,565	Increase $ 8,974,102
Silk Factories production increased in 10 years from	$2,372,000 to $8,507,153	Increase $ 6,135,153
Motor Vehicles registered—	1925—728,005 1926—838,925	Increase (No.) 110,926
Boot and Shoe Production—	1925—$40,022,515 1926—$46,096,163	Increase $ 6,073,648
Pig Iron Production—	1925—570,766 long tons 1926—757,317 long tons	Increase (tons) 186,551
Pulp and Paper Exports—	1926—$121,000,000 1927—$129,000,000	Increase $ 8,000,000
Pulp and Paper Mills Capacity, tons, per day—	1927—8,432 Rated capacity for 1928—9,692	Increase (tons) 1,260

ELECTRICAL DEVELOPMENT

Ontario Hydro-Electric Power Commission—	3,500 h.p. at end of 1910, 949,700 h.p. at end of Oct., 1927	Increase (h.p.) 946,200
Electric Power Production—	1926—$ 98,600,500 1927—$108,195,000	Increase $ 9,594,500

RAILWAYS

Total Railway Operating Revenue—	1925—$455,297,287 1926—$493,599,753	Increase $ 38,302,466
Net Railway Operating Revenue—	1925—$ 83,147,631 1926—$104,096,301	Increase $ 20,948,670
Electric Railways, Gross Revenue—	1925—$49,626,321 1926—$51,723,149	Increase $ 2,096,968

ALCOHOLIC BEVERAGES

Alcoholic Beverages, Imports—	1926—$28,339,112 1927—$42,306,480	Increase $ 13,967,368
Alcoholic Beverages, Exports—Year ending Oct.,—	1926—$24,670,413 1927—$26,881,049	Increase $ 2,210,636
Breweries Production—	1925—$24,000,000 1926—$29,154,450	Increase, nearly $ 8,000,000

MISCELLANEOUS

Fur Exports, year ending Oct.,	1926—$18,496,342 1927—$22,958,745	Increase $ 4,462,403
Trapping—	1926—$15,618,600 1927—$16,768,000	Increase $ 1,150,000
Life Insurance Investments—	1900—$ 494,000,000 1926—$4,964,000,000	Increase $4,476,000,000
Life Insurance in Force—	Dec. 31, 1926—$4,608,196,334 Dec. 31, 1927—$5,044,883,134	Increase $436,686,800
Tourist Revenue—	1926—$210,000,000 1927—$276,000,000	Increase $ 66,000,000
Building Contracts—	1926—$372,947,000 1927—$418,951,000	Increase $ 46,004,000
Total Trade—	1925-26—$120,222,454 1926-27—$143,933,110	Increase $ 23,710,656
Commercial Failures—	1926—1,771 1927—1,827	Decrease 56

CANADA'S PUBLICITY IN BRITAIN REVIVES

Mr. Turcotte Now On the Job and Plans to Show at Fairs

LONDON.—With the arrival in London of J. O. Turcotte, Canadian Government Exhibition Commissioner, who brought with him a staff of eight, the government's campaign to assist Canadian exporters in establishing themselves on the British market may be said to have started. Mr. Turcotte brings to his present post from the Department of Immigration twenty-seven years of experience on every continent, and in most countries. Among the conspicuous successes with which he has been associated are the Canadian exhibits at Wembley, and the New Zealand and South Seas International Exhibition, Dunedin.

In an interview reported by the Canadian Gazette, Mr. Turcotte was not able to outline his plans in detail, as they are yet in process of formulation. The first exhibition in which the Canadian Government will avail itself of space, reserved by the Empire Marketing Board, will be the Grocers' and Allied Trades Exhibition, Manchester, April 17-26; and almost coincident with this is the Ideal Home Exhibition, Sheffield, April 17-28. Details of the Canadian exhibits at these exhibitions are not yet available, but it is Mr. Turcotte's intention to see that Canada's first appearance under the aegis of the Empire Marketing Board is worthy of the occasion, and of the Dominion.

Among exhibitions at which Mr. Turcotte at present intends that Canada shall be represented, are: North-East Coast Exhibition, Newcastle-on-Tyne; Milan Fair; Brussels; Paris; Sydney, Australia, 1931-2, and a number of others in the United Kingdom, at which the Empire Marketing Board will probably take space. Canada will, of course, be represented next year at the British Industries Fair, and the Daily Mail Ideal Home Exhibition. At both of these it is probable that Canada will have an independent exhibit in addition to participation in the Empire Marketing Board Section. Other exhibitions in which Canada will participate this year are: Building Trades' Exhibition; International Grocers' Exhibition, Brewers' Exhibition, Bakers' and Confectioners' Exhibition, The Imperial Fruit Show; and the Exhibition in Dublin.

With these Canadian exhibits as a focal point, the Canadian Government will spend a considerable sum of money in other forms of advertising and publicity, in addition to that which is being spent in Canada, where an attempt is being made to create an "Export trade consciousness." The whole of the exhibition and publicity work, on both sides of the Atlantic, is under the control of the Hon. James Malcolm, Minister of Trade and Commerce, in that capacity, and as chairman of the Cabinet Sub-Committee on Publicity. A business man himself, Mr. Malcolm understands modern marketing and publicity methods. If the results of the first year's campaign justify it, it is Mr. Malcolm's intention that these appropriations be increased progressively for some years. The total expenditure on exhibitions and publicity, during the next twelve months, will approximate $500,000 in addition to any amounts spent by Canadian producers' organizations in cooperation with the Government in the scheme now in process of formulation.

FARMER IS OWN BOSS BUT INCOME IS SMALL FOR CAPITAL INVESTED

(Continued from page 6)

various groups, the results in each case being the average for a large number of farms.

Size of farm	Capital Invested	Labor Income
Beef Farming (Middlesex and Huron)		
Under 61 acres	$ 8,252	$ 235
91 to 110 acres	13,098	618
136 to 160 acres	19,502	778
Over 225 acres	36,613	1,784
Mixed Farming (Dufferin, Peel and Wellington)		
Under 76 acres	$ 8,061	$ 498
91 to 110 acres	10,819	802
136 to 160 acres	15,450	948
Over 225 acres	27,141	1,678
Dairying (Dundas County)		
46 to 60 acres	$ 9,241	$ 662
91 to 110 acres	16,895	968
136 to 160 acres	20,302	1,260
Over 160 acres	27,274	1,691

Figures are Above Average

These rewards are pitifully small, when we consider the work and management and capital investment involved. But it is worth noting that even these represent returns far above those of the average year. The year 1919 was probably the most prosperous the farmers of Ontario ever had. Not only were there good crops, but prices were much higher than they have ever been, before or since.

We may well ask ourselves what has happened since, in years when crops have been below the average, and when prices have been almost cut in half. Farmers are in the habit of saying that they may choose between interest on their investment or wages for their labor, but that they cannot have both. They are probably not far from the truth.

Western Returns no Larger

Western agriculture is subject to ups and downs to a greater extent than that of the East, but it is certain that, averaged over a period of years, it does not yield any greater returns. Of course, it is always possible to pick out an individual here and there, who has done better than these averages. It is, however, no fairer to draw general conclusions from these exceptions than it would be to measure the possible success of the average merchant or manufacturer in terms of Timothy Eaton or Henry Ford.

Problem of Farm Sons

When these meagre returns are considered, it is easy to understand that farm life of necessity is not overdone with luxury or pleasure. Not only so, but the farmer is presented with an extremely difficult problem with his sons. It is, I think, the general desire of farmers to pass their land and business on to their sons. Contrary to the general impression of people not farmers, a very large proportion of farm boys wish to follow in their fathers' footsteps. But in realizing this mutual desire the economic factor steps in. It is most difficult for the farmer to achieve a very modest competence in time either to retire and make way for his son or to take him into a partnership which could afford a living for both. The result is a tragedy which may take several forms.

Cannot Close Our Eyes

I am quite aware that in presenting this gloomy picture of farming conditions I am striking a discordant note in the chorus of well-being so lustily sung just now by Canadian business. It is surely silly, however, to close our eyes to facts. Instead, patriotic Canadians everywhere should seek in the interests of better nation-building, to understand these conditions, to diagnose their cause and to at least give sympathy to the farmers in their endeavors to find a remedy. And in conclusion, let me say most emphatically, that the remedy will not be found in preaching to the farmer on how he should farm. That, he probably knows better than any outsider can tell him.

Next week's article by Mr. Drury will conclude this series and outline the farmers' viewpoint on public issues.

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	%	Maturity	Price	Yield
GOVERNMENT				
Canadian National Railways (Dominion of Canada Guarantee)	4½	July 1, 1957	102.00	4.38%
Province of Nova Scotia	4½	Sept. 15, 1952	101.75	4.38%
Government of Newfoundland	5½	July 1, 1942	106.71	4.85%
City of Santiago (Chile)	7	Jan. 2, 1949	100.25	6.98%
CORPORATION				
Gatineau Power Company	5	June 1, 1956	101.50	4.90%
Donnaconna Paper Company	5½	Feb. 1, 1948	99.50	5.54%
Canada Steamship Lines Limited	6	Oct. 1, 1941	104.25	5.55%
Canadian Vickers Co., Limited	6	Aug. 1, 1947	103.50	5.70%
General Steel Wares Limited	6	Nov. 1, 1952	102.50	5.80%
Guantanamo & Western Railroad Co.	6	Jan. 1, 1958	97.00	6.22%
Detroit International Bridge Co.	7	Aug. 1, 1952	100.00	7.00%

Write for a copy of our magazine, "The Investor"

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WE HAVE PURCHASED AND NOW OFFER
50,000 Shares
Associated Quality Canners
Limited
(Incorporated under the Dominion Companies Act)
Transfer Agent and Registrar: National Trust Company, Limited
Bankers: Royal Bank of Canada *Auditors: Messrs. Price, Waterhouse & Co.*

CAPITALIZATION

	Authorized	Issued
Common Shares (without nominal or par value)	100,000	80,000

From information supplied by Mr. John Wall, President, and other sources, we summarize as follows:—

THE COMPANY—The Associated Quality Canners, Limited, has been formed to acquire ownership of the properties, assets, trade marks, goodwill, etc., of the following successfully operated Companies: Quality Canners of Canada, Limited; Harvest Canning Company, Limited; E. C. Metcalfe Canning Company; Hallowell Canners, Limited, manufacturers and producers of canned vegetables, fruits, jams, jellies, marmalade, etc.

The Quality Canners of Canada, Limited, has been packing fruits and vegetables in Essex County, Ontario, over a period of ten years. Its four modern, sanitary plants are located at Essex, McGregor, Harrow and Cottam. Meteorological statistics prove that Essex County can rightfully claim to be the "Sun Parlor of Canada," since in sunshine hours it ranks close to the State of California. The location of these plants is not only favorable as regards a sure supply of high quality fruits and vegetables, but for the consuming markets of Western Ontario and Western Canada enjoys low freight rates by rail, or water and rail. "Nature's Best" Peas, Corn, Tomatoes and baby vegetables, which have been nationally advertised and distributed, are very popular with the consuming public of every Province of Canada.

The Harvest Canning Company, Limited, commenced packing fruits and vegetables in their plant at Hamilton in the year 1912. During the intervening years this Company has not only built up a very large and highly successful business, but has established an enviable reputation for its products and for its fruits in particular. "Harvest Brand" Peaches, Pears and vegetables are everywhere in Canada acknowledged by the trade to be unsurpassed as to quality.

The E. C. Metcalfe Canning Company's plant is located at Deseronto, in the County of Hastings. Fourteen years of unremitting attention to quality is the secret behind the growth and consistent success of this business. Peas, Corn and Tomatoes largely make up the pack of this Company.

The plant of the Hallowell Canners, Limited, is situated at Bloomfield, Prince Edward County, in the centre of one of the best vegetable growing districts of the Province. This Company has a two-year history of profitable operation, with consistent growth and expansion.

The plants of the constituent Companies, seven in number, situated in the Province of Ontario, are modern and up to date in every respect, and, in capacity, are among the largest in Canada. They are situated in districts where ample supplies of fruits and vegetables, etc., are available, and at points convenient for shipping to the large consuming centres. At each plant an efficient inspection staff is maintained so as to assure a uniform production of products of the highest quality.

These Companies all show a successful record of operation and the products of each are well and favorably regarded both by the trade and the public. It will be the aim of the management not only to maintain but to improve, if possible, the high standard of quality already established by the different Companies for their products.

SECURITY—The Company has only one class of stock, namely, common shares without nominal or par value. There is no bonded debt, nor are there any preferred shares.

ASSETS—The present value of the land, buildings, equipment, etc., now the property of the Company, according to a recent appraisal made by the Canadian Appraisal Company, is $1,011,293.27 and stands on the Company's books at this figure. The net current assets of the business as at March 1st, 1928, as certified to by Messrs. Price, Waterhouse & Company, amounted to $627,203.31. The combined net assets as at March 1st, 1928, amounted to $1,800,000.00.

EARNINGS—The net earnings of the four Companies for the past two years, as shown by certificate of Messrs. Price, Waterhouse & Company, represents an annual net average of $177,625.00, which is in excess of $2.20 per share. In the year 1927 the net earnings were $207,365.47, equivalent to $2.60 per share. It is anticipated by the management that substantial savings can be effected in overhead and operating expenses, freight charges and sales cost, and that the profits of the combined businesses will, therefore, be increased.

MANAGEMENT—The management of the Company will be in the hands of Mr. John Wall and his associates. Mr. Wall has had a long and successful experience in the canning industry and has a substantial financial interest in the Company. Efficient management is, therefore, assured. Mr. Wall will also have the advice and assistance of Messrs. Thomas S. Kerr, E. C. Metcalfe and J. E. Baxter, Directors, all of whom have been associated with the canning industry for years, and as former owners have a full and complete knowledge of this business.

DIRECTORS

JOHN WALL, President.
President, Quality Canners of Canada, Limited.
MANNING W. DOHERTY, Vice-President.
President, Doherty-Easson Company, Limited.
THOMAS S. KERR,
Managing Director, Harvest Canning Company, Limited.
LEO PAGE,
President, Butternut Bread, Limited, Windsor.
E. C. METCALFE,
E. C. Metcalfe Canning Company.
JAMES E. WALL,
Secretary-Treasurer, Quality Canners of Canada, Limited.
J. E. BAXTER,
Manager, Hallowell Canners, Limited.
CHARLES H. EASSON,
Vice-President, Doherty-Easson Company, Limited.

It is the intention of the Company to make application to have the shares listed on the Toronto Stock Exchange at an early date. All legal matters in connection with this issue are being approved by Messrs. Osler, Hoskin & Harcourt and Messrs. Young and McEvoy. We offer the above shares if, as and when issued and accepted by us, and subject to the approval of legal details by counsel.

PRICE: $25.00 per Share

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TORONTO 2

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable.

Current Events in Banking World

ANK INSPECTORS AUDED FOR WORK IN OTTAWA PROBE

Official Inspector Trusts Their Branch Reports, He Tells M.P.'s

From Our Own Correspondent

OTTAWA.—The third session of the banking and commerce committee of the House of Commons that is investigating the possible improvement of the banking system of Canada brought out nothing new or novel.

C. S. Tompkins, inspector of banks in the department of finance, declared it to be his opinion that, had there been an inspector of banks prior to 1924, the Home Bank failure could have been avoided. That failure was due to incompetent auditing, in his opinion. He explained his system of inspection. It consisted largely of an examination of all large loans of the different banks; loans large in proportion to total resources or to capital and reserve. He also made himself familiar with their investments, call and short loans, and with the details of head office accounts, including undisclosed reserves. He accepted the inspection reports of the banks' own inspectors on the position of the branches because he felt the inspection system of Canadian banks to be without a peer.

Performed Central Bank Functions

G. W. Hyndman, assistant deputy minister of finance, was examined in regard to the operations of the Finance Act, under which the Dominion government acted as a sort of central bank for the banks. He felt that the system fulfilled all the necessary functions of a federal reserve bank so far as Canada needed one. The treasury board made no attempt to regulate prices by regulating the interest rate on government loans to the banks. The rate had declined from four to 3¾ per cent in November last because money rates had gone down in New York. But on the whole no attempt was made to follow the fluctuations in money rates in New York or in London. The banks did not borrow much from the government. The largest amount loaned was in 1922 when $61,000,000 was loaned to the banks and this was now down to $14,000,000.

Two Classes of Loans

An attempt was made by some members of Parliament to condemn a procedure which permits the banks to borrow from the government at 3¾ per cent. at the time time that they are getting four per cent. on the government's treasury notes. Mr. Hyndman, assisted by other members of the committee, explained that there was a difference between the short term temporary borrowings of the banks from the government and the fixed term notes usually for three years, of the government from the banks.

Gold Reserve is Low Enough

Another suggestion that the government should issue a larger amount of its own notes, which do not bear interest and thus obtain money without cost was run to ground. Mr. Hyndman said: "Our Dominion notes are backed by gold to the extent of something slightly over 60 per cent. The Federal notes are backed by not less than 40 per cent. gold. The Bank of England and Treasury notes are slightly below that but their endeavor is to get it up to at least 40 per cent. I do not think it would be advisable in a country like Canada, wide-spread, to have any less gold reserves than we have."

Canadian Hydro-Electric Expands Bryson Plant

From Our Own Correspondent

MONTREAL.—The Canadian Hydro-Electric Corporation is to increase the capacity of the Bryson, P.Q., plant which it acquired recently by purchasing the Ottawa and Hull Power Company and its subsidiary, the Ottawa River Power. The Bryson plant is designed for three units of 25,000 h.p. each, one of which is at present installed and the second unit of 25,000 h.p. is now ordered. By the acquisition of these two companies, the Canadian Hydro-Electric Corporation added 64,200 h.p. to the generating capacity of its plants.

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Sees Co-Operation Lacking in Banks

Western Manager Explains Why He is Going Into Another Line of Work

The bank page has received the following letter from a Western manager:

Editor, The Financial Post,

Dear Sir.—With reference to an article in your last issue under bankers' salaries, I do not think there is any reason to complain in this respect. The actual reason for the widespread dissatisfaction in the service of the bank to-day is not lack of pay but absolute lack of confidence between the branch managers, staff and heads of departments. The old confidence in existence ten years ago has gone, which was so strong between the staff and supervisor's departments, and to-day this is replaced by a feeling of distrust and uncertainty which is very detrimental to the banks.

Why, to-day, are so many experienced bank managers leaving the service to take other employment and to enter other professions? This should not be so. The reason is that we are all afraid to-day of what the future may be. Correspondence between the heads of departments and their managers is lacking in courtesy. Managers are being treated as merely units, and not as human beings, and accordingly it is quite common to hear: "If and whenever I can find something to do I am leaving." I have been with the bank as manager for 16 years, have been successful from the bank's point of view, but am leaving to take another position which I feel gives me more opportunity for advancement and remuneration for my efforts, which to-day the bank apparently does not appreciate, as they never inform me they do. To-day the banks are losing men, and men they cannot replace, and the time may come when they will see this fact. At present if they see it they do not try to alter a situation which appears to me must be disastrous to the banks.

If we lose a good account at a branch we endeavor to find out why in order to avoid a recurrence. The banks to-day say: "If you don't like what we do, get out." And managers are getting out, and the banks are losing men they have spent money to train. To-day the staff are uncertain of the future, they see men who are sick and likely to be on the pension fund let out with six months' salary, and men who resign, instead of receiving back their own money they have paid into the pension fund, are returned 50 per cent. without any interest, though the bank are in possession of their money paid out of their own salaries.

In spite of what is said, the majority of the bank managers to-day, and I speak from actual knowledge, are extremely dissatisfied, not with their salary, but with the treatment they are getting, and until this is changed there will be resignations going in and men taking other positions where they feel their efforts are appreciated and their future is secure.

AN ALBERTA MANAGER.

The editor of this page finds it difficult to believe that there are many bank men who feel toward their institutions as this one does.

Bank Chat

An addition to the Dominion Bank at Chatham will be erected this year.

Dominion Bank is building a bank at Gravenhurst.

The Royal Bank will have space in the new Manoir Drummond Hotel in Three Rivers.

A branch of the Bank of Montreal has been opened at Hythe, Alberta, under W. J. Elliott.

Harry Grasett, son of Mr. and Mrs. H. J. Grasett, Barrie, manager of the Bank of Toronto at Millbrook, has been promoted to a similar position in Petrolea, Ont.

Royal Bank recently opened a branch at Gatineau, Que. This is a rapidly growing centre in the Gatineau district, where the International Paper Company and its associated company, Canadian Hydro-Electric, are carrying out large undertakings.

Three members of the Calgary staff Bank of Montreal, are shortly to be transferred to Mexico City. They are Stafford Boyd of the superintendent's department; W. R. Wells of the inspection staff and G. S. Mitchell, assistant accountant.

L. J. Robb, recently appointed western supervisor of the Excelsior Life Insurance Company, is a former resident of Saskatchewan, having at one time been manager of the Bank of Hamilton at Estevan. He was also a branch manager with the same bank in British Columbia and in addition has had considerable life insurance experience throughout the West.

Dominion Bank announces the following appointments:

C. R. Hanna has been appointed Acting Manager at Brooklin, Ont., branch.

Wm. E. Lepper, formerly accountant at Queen and Ossington branch, Toronto, has been appointed acting manager at Bay and Breadalbane branch, Toronto, and is succeeded at the former office by H. P. Heritage, accountant at Broadview Avenue branch, Toronto.

WANTED: CITY RULER AT $6,000 A YEAR

Lethbridge Now Seeks Man For City Manager Post Just Created

From Our Own Correspondent

LETHBRIDGE.—Lethbridge is looking for a city manager. It is willing to pay him $6,000 a year.

The amended city charter was recently passed by the Alberta legislature, the new charter providing for civic government by an appointed manager, to go into effect in ninety days.

This is the only Western Canada city to adopt managerial government. Under the new charter there will be seven elected aldermen, one of whom will be apointed mayor. The council will appoint the city manager, who will be given wide powers in civic administration.

Proportional representation system of voting was allowed to stand in the Lethbridge charter, although at the same time the Edmonton city charter was amended so as to abolish it.

Managerial government will replace commission form of government, viz., three regular commissioners and three advisory commissioners. The demand for a change came from a Citizen's Committee movement who claimed that the city hall regime had lapsed into a state of stagnation, and that a more progressive administration was needed. They also held that managerial government in a small city would effect a saving. The issue was placed to a plebiscite and carried four to one. The ideas of the committee were incorporated in a draft charter which was duly sent to the legislature and passed after some debate.

Whether the change will mean the passing of Mayor Hardie, one of the most colorful and best known Canadian mayors, remains to be seen. He gained prominence a few years ago during a national municipal convention in the east with a fighting speech on "Home Rule" for cities.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities	Mar. 24, 1927	Mar. 22, 1928
Halifax	$ 2,515,706	$ 3,323,994
Saint John	2,381,119	2,487,625
Moncton	748,417	787,280
Quebec	5,587,133	5,362,214
Sherbrooke	878,313	967,566
Montreal	100,603,098	142,337,624
Ottawa	5,895,364	8,220,670
Kingston	486,492	734,741
Peterboro'	742,857	737,252
Toronto	107,500,159	142,701,334
Hamilton	5,090,246	5,749,096
Chatham	82,823	882,206
Brantford	944,857	1,292,901
London	2,778,505	2,816,341
Sarnia	608,013	621,938
Kitchener	977,302	1,075,691
Windsor	4,791,102	5,201,574
Western Cities	Mar. 24, 1927	Mar. 22, 1928
Fort William	$ 793,481	$ 793,481
Winnipeg	44,764,156	55,344,610
Brandon	475,210	568,044
Regina	3,608,551	5,068,108
Moose Jaw	1,033,819	1,232,061
Saskatoon	1,582,224	2,269,781
Prince Albert	377,041	392,040
Lethbridge	529,533	868,582
Calgary	7,954,927	14,794,069
Edmonton	4,303,352	6,110,483
Medicine Hat	282,738	465,160
New Westminster	692,221	915,051
Vancouver	16,580,156	21,530,292
Victoria	1,882,523	2,550,532

C. P. R. EXPERIENCE NOT SATISFACTORY REPORT REVEALS

Higher Operating Ratio Results From Demand For Lower Rates

NEED LARGER GROSS

Report Says Negotiations on Halifax Hotel Situation Continued With C. N. R.

From Our Own Correspondent

MONTREAL.—Some of the more significant features of the annual report of the C. P. R. covering its 1927 year include: A not insubstantial increase in the railway's operating ratio; the continuance of negotiations with the C. N. R. with a view to avoiding the erection of two competing hotels in Halifax; the construction now underway of four new vessels for the ocean services; the expectation of better results in the future from the Soo Line, which in recent years has returned but a small yield on the C. P. R.'s investment in the property; an increase in the amount of freight and passengers carried, with a reduction in the earnings per ton mile.

The income account figures, reviewed last week in these columns, showed earnings on the common stock of 12.07 per cent., as compared with 14.12 and 12.52 per cent. in the two respective preceding years.

Changes in Balance Sheet

The balance sheet shows several important changes over the 1926 exhibit. The amount invested in property has increased by nearly $37,000,000 during the year and is now carried on the books at $762,978,970. Investment in land has declined by just over $7,000,000 and now stands at $86,709,784.

In the liabilities, payments on account of the new common stock issue to the shareholders, the first in many years, is carried at $34,002,549. When this issue has been completely paid up, the common stock outstanding will be $300,000,000 instead of the $260,000,000 at which the stock has appeared in the balance sheet for the past fourteen years.

Funded Debt Charges

During the year, $20,000,000 was added to the funded debt by the sale of an additional issue of 4½ per cent. collateral trust bonds. The equipment obligations which stood at $18,410,000 a year ago have been reduced by virtually $3,000,000. Equipment and replacement reserves stand at over $40,400,000, an increase of nearly $4,000,000 during the year. Surplus from operating revenues is up $1,300,000 but other surplus has declined by over $3,400,000. The total of both surplus accounts stands at close to $259,000,000.

Touching the increase in the operating revenue, the management states in the report that the results for the year give further evidence of the need for increases in transportation revenues, if gross earnings are to keep pace with the growing operating costs.

It has long been recognized that the continual demand for lower freight rates, coupled with increased wages to employees has had a decidedly adverse effect on the railway situation in the Dominion. Mention is made of these points in the remarks of the president.

Touching the Halifax hotel situation, the report says that the directors deplore the duplication as it is entirely without justification and that negotiations with the C. N. R. are being continued.

At the forthcoming general meeting the shareholders will be asked to authorize the issuance of further consolidated debenture stocks to defray the expense of four additional ships and constructing new branch lines which are to be located in the West.

While the figures covering the freight tonnage carried and the ton miles handled show a moderate increase, yet the earnings per ton mile declined from 1.01 cents in 1926 to 0.98 cent in 1927.

The number of passengers carried, and the number of passengers carried one mile, also increased moderately during the year, earnings per passenger mile increased from 2.63 cents to 2.64 cents during the year, but the passenger earnings, of course, play only a small part in the revenues as compared with earnings from freight traffic. The balance sheet shows that the C. P. R.'s financial position has been but little changed. The ratio of current assets to current liabilities remains as strong as ever as the following comparison of the figures over the past three years shows:

	1927	1926	1925
	$	$	$
Curr. assets	79,848,067	80,418,960	67,793,886
Curr. liabs.	20,163,865	19,750,982	18,863,081
Work. cap.	59,684,202	60,667,978	48,930,805

Brading Breweries Builds Addition to Its Plant

From Our Own Correspondent

MONTREAL.—The Brading Breweries has begun work on a further extension to its plant. During the last three years the plant has steadily been enlarged. When the present alterations and additions are complete, the original plant, erected in 1865, will have entirely disappeared.

The additions to the property will give the plant a capacity of 82,500 gallons. The total storage capacity will amount to nearly 3,000,000 pint bottles. The additional buildings will be of the latest fireproof construction.

KIPPEN'S EXPANDS

MONTREAL—Eric D. B. Kippen, of Kippen & Company, investment bankers, has been elected a member of the Montreal Stock Exchange. The Stock Exchange end of the business will be known as Kippen, Newton & Co., the members of which are J. D. G. Kippen, Eric D. B. Kippen and Frederick G. Newton. The firm will conduct a general brokerage business as members of the Montreal Stock Exchange and Montreal Curb Market, commencing as at the beginning of April.

This new development will not affect Kippen & Company, Incorp., in any way, who will continue as investment bankers, underwriters and bond dealers.

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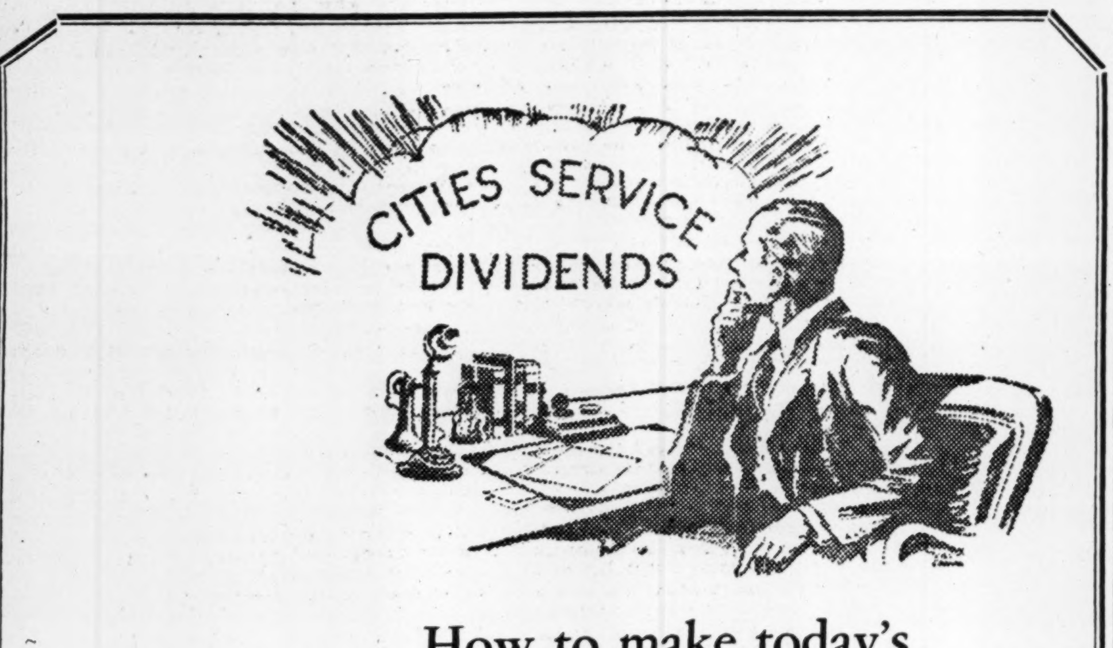

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"The Way to Wealth," an article appearing in our current Investment Survey, tells how financial independence may be achieved. Copy gladly furnished on request.

TWENTY-FOURTH ANNUAL REPORT OF THE CANADIAN WESTINGHOUSE COMPANY, LIMITED

DIRECTORS

H. H. WESTINGHOUSE, Chairman of the Board
PAUL J. MYLER, President
L. A. OSBORNE, Vice-President
F. A. MERRICK, Vice-President
N. S. BRADEN, Vice-President
HON. THOMAS AHEARN, P.C.
SIR JOHN M. GIBSON, K.C.M.G.
A. L. HUMPHREY
JOHN F. MILLER
CHARLES A. TERRY

H. U. HART, General Manager and Chief Engineer
GEORGE R. KERR, Treasurer
W. E. SPRAGUE, Secretary

The Directors submit herewith the customary Balance Sheet of the Company at the close of the fiscal year ended December 31st, and a statement of the Profit and Loss Account.

Beginning the year with an unapportioned surplus of $4,244,993.04, a special dividend of 30% on the Capital Stock, payable in June, was declared, reducing the surplus to $2,003,123.04. Coincident with the declaration of this dividend, the Shareholders were accorded the privilege of subscribing at par for new shares in the proportion of one new share for five shares then held; the result of this procedure increased the paid-up Capital Stock of the Company to $9,000,000.00.

The statement shows the current year's earnings from all sources to be $2,551,188.66, and from this, $240,000.00 has been written off for general depreciation of property and plant, $187,000.00 reserved for payment of Dominion taxes for 1927, and $50,000.00 transferred to the Pension Fund. The Patents, Rights and Licenses Account, heretofore appearing on the statements of the Company at $500,000.00, has been reduced to the nominal figure of one dollar. Your Directors felt that the assets represented under this heading, although of great value to the Company, might be regarded as being to some extent intangible from the viewpoint that their intrinsic value is not readily determinable.

The regular quarterly dividends, and an extra dividend of 2%, were paid during the year, amounting to $838,116.00, and with these deductions the carry-over for the year amounts to $736,073.66, increasing the surplus at credit of Profit and Loss to $2,739,196.70.

In reviewing the operations of your Company for the year just closed, there are no items of outstanding importance which require special mention. Requirements for equipment for pulp and paper plants and for power developments continued in approximately the same volume as the preceding year, and activity in the several lines of railway equipment was also maintained.

In the Annual Report for 1926, mention was made of unfilled orders carried over for delivery in 1927, and the completion of these orders, coupled with a substantial increase of sales during the year of practically all our lines of manufacture, has resulted in a greater total volume of business for the past year than for the one preceding, with a consequent enhancement of gross and net earnings. Contributing also to this result has been a decided augmentation of our merchandising lines of small apparatus with its inherent increased rapidity of turn-over.

Throughout the year, your Company has been successful in securing a fair proportion of the business offered, this result, we believe, being largely due to the skill of our designing and sales engineering forces in coping with the various intricate technical problems involved, and to the excellent workmanship and quality of materials used in the actual fabrication of our apparatus. Our established record for meeting delivery dates on important installations has also, we believe, been a factor in influencing business in our direction.

All inventories have, as usual, been verified by physical count and priced conservatively at the lower of either cost or market values.

Your Board takes this opportunity of again expressing its appreciation of the loyal and efficient services of both the supervising and operating forces in all Departments throughout the year.

Your Board records with profound sorrow the death on June 14, 1927, of General Guy E. Tripp, a Director of the Company since 1912. General Tripp's long experience in the public utility field and his close association with the conduct of other Westinghouse enterprises combined to make his counsel and advice of great value to your Board.

Mr. A. L. Humphrey, President of the Westinghouse Air Brake Company, Pittsburgh, Pa., was elected a Director of the Company to fill the vacancy on the Board.

By Order of the Board.

H. H. WESTINGHOUSE,
Chairman.

PAUL J. MYLER,
President.

F. A. MERRICK,
Vice-President.

N. S. BRADEN,
Vice-President.

GENERAL BALANCE SHEET, DECEMBER, 31st, 1927

ASSETS

Cash	$ 2,008,078.54
Investments, Government Bonds, etc.	1,937,382.88
Accounts and Bills Receivable	2,224,530.30
Property and Plant:—	
Real Estate; Buildings; Machinery; Tools and Equipment; Main Office and District Office Properties	5,257,612.51
Inventory of Materials and Products on Hand including Work in Process, less Collections on Account	2,517,119.12
Insurance unexpired and Taxes paid in advance	25,306.14
Patents, Rights and Licenses	1.00
	$13,970,030.49

LIABILITIES

Capital Stock:—		
Authorized	$10,000,000.00	
Issued		$ 9,000,000.00
Current Accounts Payable		772,764.64
Dividend No. 94 Payable January 1st, 1928		360,000.00
Contracts in Progress		311,069.15
Reserve for Depreciation		600,000.00
Provision for Dominion Taxes, 1927		187,000.00
Profit and Loss Account		2,739,196.70
		$13,970,030.49

PROFIT AND LOSS ACCOUNT

Balance Brought Forward January 1st, 1927			$ 4,244,993.04
Dividend Paid June 20th, 1927, out of Accumulated Earnings			2,241,870.00
			2,003,123.04
Earnings from all Sources for Year Ended December 31st, 1927, including Royalties and Investments		$ 2,551,188.66	
Written off for Depreciation	$240,000.00		
For Dominion Taxes 1927	187,000.00		
To Pension Fund	50,000.00		
Patents, Rights & Licenses	499,999.00		
		976,999.00	
Net Earnings		1,574,189.66	
Less Dividends, 1927		838,116.00	736,073.66
Balance Carried Forward January 1st, 1928			$ 2,739,196.70

AUDITOR'S CERTIFICATE

I certify that I have audited the books and accounts of the Company for the year ended December 31, 1927, have verified the cash and securities belonging to the Company and have been furnished with vouchers for all expenditures. I have obtained all necessary information and explanations, and the above statement, in my opinion, sets forth correctly the condition of the Company's affairs at the above date, according to the best of my information and the explanations given me, and agrees with the books of the Company.

Hamilton, Canada, February 15th, 1928.

C. S. SCOTT, F.C.A.,
of C. S. Scott & Co.,
Auditor.

Insurance for Buyer and Seller

NEW LEGISLATION TO CURB BROKERS IS QUEBEC PLAN

Legislature Approves Measure to Control Unlicensed Companies

WAS BADLY NEEDED

Superintendent Sharpe Now Has $5,000 Band That Rules Will Be Kept

From Our Own Correspondent

MONTREAL—Legislation to curb the activities of brokers doing business with unlicensed insurers, has now been approved by the Quebec legislature. The act provides for the placing of unlicensed insurance either outside the province entirely, or else through regular brokers who may carry on this type of business upon deposit of a bond of $5,000.

This legislation was forecast in The Financial Post some months ago, and the details of the change were outlined early in February. The Superintendent of Insurance, O. E. Sharpe, has been exceedingly anxious for some time to have this legislation enacted, as there has been considerable irregularity under the previous law governing unlicensed insurance.

Under the old law, provided the agent fulfilled the tax requirements of the province, he could write insurance with unlicensed companies, practically without supervision. The new law provides for two things. Either such insurance may be placed entirely outside the province—provided there is no solicitation either directly or indirectly on the part of the insurer, or else under certain definite conditions, it may be placed with brokers, especially licensed for this purpose.

This special license is subject at any time to revoke by the superintendent. It must be accompanied by a deposit of $5,000, which is looked upon as a bond of good faith to ensure that the contracts are carried out properly. The conditions surrounding the placing of the contract demand in the first place that proof be submitted to the effect that such insurance to be placed with unlicensed companies, cannot be obtained in any other way. Furthermore, every licensee must keep a separate account of insurance effected in this manner, such books to be open to the inspection of the superintendent.

A great deal of this business which has been placed with these unlicensed companies, is on what is called "surplus line" risks, which means that extra-hazardous properties, or classifications, which find difficulty in placing any or all of their insurance in the regular way, are offered protection with these unregistered and unlicensed companies and are, for this reason, glad to get any sort of a covering, even though the company may be entirely irresponsible or perhaps non-existent.

Then in addition to these surplus fire risks, there is a class called the sub-standard risk which applies to the casualty field and includes various classes in the community, such as bootleggers and other risks that are undesirable from the moral point of view.

Cancer and Diabetes Gain on Medical Science

Medical science in Canada and in the United States, as well as vital statistics obtained from both countries, realize the fact that during the last fifteen year period, the general mortality rate from disease has shown an encouraging decline. The latter, however, is attributed to remarkable decreases in death rates from tuberculosis, pneumonia, typhoid fever, intestinal affections and contagious diseases.

On the other hand, cancer and diabetes have resisted every effort attempted to bring down their mortality rate. During the last fifteen years, cancer has kept up a gradual increase in its death rate. In 1911 the death rate from cancer—says Doctor Dublin, Statistician of the Metropolitan Life—was 65 per 100,000 persons exposed; in 1917, it was 70; in 1918, 67; in 1919, 67; in 1920, 68; in 1921, 71; in 1922, 71; in 1923, 72; in 1924, 72; in 1925, 71; in 1926, 75.1; in 1927, 75.3. In other words, from 1911 to 1927, the increase has been from 65 to 75 per 100,000 persons exposed.

A similar increase has been recorded in the case of diabetes where the increase in mortality rate rose from 13 per 100,000 persons exposed in 1911, to 17 in 1927. However, Doctor Dublin expresses the opinion that the use of insulin—among young people especially—has largely contributed in holding down the general mortality rate from diabetes. He feels confident that the time will come when the value of insulin will be more fully recognized by the medical profession, and then real progress will be made in the direction of the conquest of diabetes.

Insurance license has been issued at Ottawa to National Union Indemnity Company to write accident and automobile insurance.

P. H. Grant, Montreal, has been appointed the company's Canadian Chief agent.

New Superintendent

R. J. DAW,
who has been appointed Superintendent of Agencies for the Toronto Casualty Fire & Marine Insurance Co., Toronto.

Sees in Life Insurance Shining Beacon of Hope

"A shining beacon of hope in a world of jazz and fast living," and "the stabilizer and shock absorber of civilization," were expressions used by J. F. Maine, superintendent of agencies, London Life, to tipify his idea of "Service Through Life Insurance," in last week's address before the Life Underwriters' Association of Toronto.

Mr. Maine discussed in detail the benefits accruing from various kinds of insurance protection, including life, industrial, and partnership, and pointed out that life companies had achieved a very real and indispensable position in the social structure of Canada. During the past fifty years, he said, more than $875,000,000 had been paid to heirs in Canada. At the present time over 32,000 persons are directly employed by life companies in Canada, and many thousands more are given employment by reason of activities of life companies. Benefits to both urban and rural communities in Canada have been very great; and more than a billion dollars of life insurance money was at present employed in developing both urban and rural Canada through the medium of loans and investments in Canada of life insurance companies.

"Traveler" Companies Pile Up More Records

From Our Own Correspondent

MONTREAL.—Another record year is reported by the Traveler Company of Hartford, Conn. These three companies have been steadily piling up records in the fields of life, indemnity and fire insurance for many years, so that there is scarcely a figure in their reports that is less than $10,000,000.

In the life field, the Travelers paid, during 1927, for $1,007,000,000 of life insurance. This tremendous record goes to swell their already high total, so that the amount now in force is $4,198,900,000. The life insurance company has assets of $489,700,000 and reserves and all other liabilities amount to $415,700,000. Capital and surplus stands at $38,937,000.

The indemnity company has assets of $19,000,000 and a capital and surplus of $7,898,000.

Metropolitan Life Staff at Oshawa Made Records

The Oshawa, Ont., district closed the year 1927 with the best all-round record of any district of the Metropolitan Life Insurance Company in the Dominion of Canada, and also stood eighth from the top among all the districts of the company.

An indication of the business done by the district staff can be gained from the fact that the average gain per month per man for ordinary and group insurance written last year exceeds $3,300.

L. S. Marsh was in charge of the Oshawa District from December 27, 1926, until November 28, 1927, when he was transferred to the Metropolitan's new office in London, and was succeeded as manager of the Oshawa district by James Judge.

Western Insurance Man

J. W. GLENWRIGHT,
managing director of the Commercial Life Assurance Company of Canada. The company had a good year in 1927 it was shown by the annual report recently published.

FIRE ASSOCIATION FULLY VINDICATED BY QUEBEC COURT

C.F.U.A. Lauded by Quebec Judge in Dismissing Claim

From Our Own Correspondent

MONTREAL — The rights and powers of the Canadian Fire Underwriters Association were thoroughly vindicated by a court decision rendered here last week. The case was brought into court by an agent representing the Maryland Insurance Company and the Western Assurance Company, who claimed the association had prevented him from doing business.

According to the laws of the association, the agent was not eligible for registration because he represented one company which belonged to the association, and one company that did not belong to the association.

As a matter of fact, the Maryland Casualty has since applied and become a member of the C.F.U.A., so that in the meantime the plaintiff agent has become entirely subject to the rules of the association.

Is Voluntary Association

The defence of the functions of the C.F.U.A., stated that the association is a voluntary one, composed of 138 companies and underwriters, duly licensed to carry on the business of fire insurance within the Dominion of Canada, and particularly within the provinces of Quebec and Ontario. The association, it was claimed, in operation since 1882, has reduced the expenses of carrying on the insurance business, made the carrying of insurance business economical and efficient, has brought about an improvement of conditions directly beneficial to the public, caused the betterment of the physical conditions largely responsible for fire losses, has prevented rate cutting and tariff wars, maintained to a great extent the solvency of the insurance companies, stabilized rates, eliminated discrimination, and has been of general benefit and advantage to the publice and to fire insurance companies and underwriters.

Quotes Judge Masten

The judgment delivered in favor of the C.F.U.A., referred at some length to the report of Mr. Justice Masten, who investigated the whole question of insurance within Ontario, and who at that time said:

"I am of the opinion that the operation of the Canadian Fire Underwriters' Association has been to the advantage and in the interests of the public, and that such a combination tends strongly to maintain the solvency of the companies, to stabilize rates, to eliminate discrimination, and assist in controlling the expenses of carrying on the business. The conclusion accords with findings of the strongest commissions in the United States that have considered this question.

"Similar associations as the one now under examination have been in existence in several parts of the United States and have been found by the highest courts, not only exempt from blame, but pursuing laudable objects."

London Life Changes

The London Life Insurance Company has recently made the following appointments affecting men on its Winnipeg staff: W. H. Stevens, C.L.U., has been made ground insurance supervisor for the province of Manitoba; G. Fay Davies, C.L.U., hitherto supervisor for Eastern Manitoba, is transferred to a newly created position at the head office, London, Ont., that of field instructor; A. Homer Robinson, LL.B., C.L.U., formerly group insurance supervisor at Winnipeg, has been transferred to Hamilton, Ont., in a similar capacity, and W. E. Browne, C.L.U., becomes training supervisor of the Winnipeg office, ordinary department; J. A. Sully, C.L.U., is district manager of the Winnipeg ordinary branch, and A. E. Richardson, C.L.U., is manager of the industrial branch.

Insurance Problems

Insurance questions of general interest submitted by subscribers of THE FINANCIAL POST will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Stuyvesant Fire

Can you give me as much information as possible on the Stuyvesant Insurance Co.? Are they reliable for Canadian policies?

As far as we know, Stuyvesant Insurance Company of New York, is a perfectly safe organization with which to place your fire insurance. The company has been in operation since 1850 and has been operating in Canada under a Dominion license since 1916. This latter fact is in itself sufficient to guarantee protection to its policyholders.

At the end of 1926 the company had in force something like $29,000,000 of business involving a premium income of nearly $300,000, that is, in Canada alone, of course. The company has total assets of something like $4,500,000 of which $285,000 are held solely for the protection of Canadian policyholders.

Sterling Underwriters

Would you be good enough to give me some information regarding the Sterling Insurance Underwriters?

As the Sterling Insurance Underwriters is not licensed in either Ontario or the Dominion of Canada, we are not in a position to give you any information on the company. Our services, as perhaps you know, is of necessity confined to Canadian companies with which we are able to maintain an active and personal contact.

We would suggest, however, that you communicate with the superintendent of insurance at Springfield, Ill.

Columbia Life

I would appreciate your opinion on the Columbia Life Assurance Co., which has been selling stock here recently. What do you think of a young life insurance Company as an investment?

We have before us a copy of the prospectus covering the Columbia Life Assurance Company, about which you are enquiring. In the first place, let us say a word about new life insurance companies. We consider that the promoters who expect the company to be in a position to pay dividends at the end of five years are somewhat optimistic. We would consider that under present highly competitive conditions, ten years would be a much more accurate estimate of the time it will take for a new life insurance company to work itself into such a position that it could pay regular dividends on its stock. Of course, there are exceptions to this rule, but past experience would lead us to suggest that if you purchase this stock you should have the ten-year period in view before you can expect satisfactory appreciation and returns on your investment.

You state that the company is quoting the sale price of shares at $135, of which $35 is payable on application. The important feature in the price of insurance stock and concerning which you make no mention, is the amount that actually goes into paid-up capital, and the amount that is received as premium. The amount of premium on the stock is in the nature of a bonus which you pay to the company, but which is not considered as a liability by the company. The investor should be somewhat cautious as to the proportion of premium to paid-up capital, although some companies have successfully sold stock with $10 paid-up, and a premium of as high as $35, which would make the total cost of a share, $45.

The officers of the company are F. W. Law, general manager and secretary; W. C. Brown, treasurer; A. E. Munn, all of Vancouver.

Insuranshares

I hold ten shares of Insuranshares. What do you think of this stock as an investment?

You do not tell us what series of Insuranshares you hold. There are some seven or eight different series, each one being issued against a certain definite block of the shares of various insurance companies. Some of the series have already paid dividends, and the prices of the various series differ somewhat.

On the whole, we believe that Insuranshares should do well for the investor over a period of years. The only difficulty perhaps is the fact that most of the insurance companies whose shares are held in trust for Insuranshares, are American companies and as such you may find it difficult to keep in touch with the actual equity behind your stock. The shares have been offered in Canada by Greenshields, Limited.

Low-Cost Insurance

I have been exceedingly interested in your articles in reference to low-cost life insurance. Could you give me a list of the companies writing this type of policy?

As far as we know there are now some eight life insurance companies writing this new low-cost policy. These companies are: The Metropolitan, which was the first in this field, The London Life, The Mutual Life of Canada, The Crown Life, which has been writing the policy for between one and two years, and finally The National Life, the Excelsior Life, The Confederation Life and The Dominion Life which have just recently added this policy to their insurance programme.

A Dominion-Wide Organization

The Canada Permanent Trust Co., with branch offices in almost every important centre in Canada, is in a splendid position to offer efficient and prompt service as

STOCK TRANSFER AGENT
REGISTRAR
TRUSTEE FOR BOND ISSUES

The responsibility of our Company, our conservatism and facilities for acting in the above capacities will insure both safety and profit in the employment of this company in these services.

You are invited to confer with the Officers of the Company.

DIRECTORS:
W. G. Gooderham *President*
E. R. C. Clarkson *1st Vice-President*
George H. Smith *2nd Vice-President & General Manager*
Col. A. E. Gooderham
F. Gordon Osler
William Mulock, K.C.
William Stone
George W. Allan, K.C. *Winnipeg, Man.*
A. B. Campbell, W.S. *Edinburgh, Scotland*
Norman Mackenzie, K.C. *Regina, Sask.*

THE CANADA PERMANENT TRUST CO.
Paid-up Capital One Million Dollars
HEAD OFFICE: CANADA PERMANENT BLDG., TORONTO
Branch Offices: Toronto, Halifax, St. John (N.B.), Woodstock (Ont.), Brantford (Ont.), Winnipeg, Regina, Edmonton, Vancouver and Victoria

THE MONARCH LIFE
A Progressive Canadian Company
Provincial Offices
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

A Tower of Strength
ASSETS $400,000,000
Life Assurance in force $1,500,000,000
Dividends to Policyholders increased for eighth successive year.
SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY Secretary
W. H. HUNTER President
ALEX. STEWART Treasurer

Insurance
FIRE, HAIL and CASUALTY INSURANCE
Of every description effected with leading Insurance Offices.
Our Advisory Service is at your disposal.
OSLER, HAMMOND & NANTON Ltd.
WINNIPEG

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
Assets $4,026,244.79
HEAD OFFICE FOR CANADA—HAMILTON, ONTARIO
Writing Fire Insurance at Cost
Branch Offices:
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

BRITISH AMERICA
ASSURANCE COMPANY
HEAD OFFICE - TORONTO
Incorporated 34 years before Confederation
FIRE—MARINE—AUTOMOBILE—BURGLARY—GUARANTEE

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON CALGARY EDMONTON VANCOUVER

The Mutual Life Assurance Co. of Canada

Careful investment of Mutual Life funds has maintained a high average return for policyholders. Despite declining interest rates the average for the previous year was almost maintained in the $12,000,000 new investments made in 1927.

HUME CRONYN *President*
W. H. SOMERVILLE *General Manager*

YOUR KEY
TO HAPPINESS AND PROSPERITY

A guaranteed pension of $100 a month for life commencing at age 55, 60 or 65.

No matter how long you may live you are guaranteed the full monthly pension.

YOUR PRESENT SAVINGS EVEN IF SMALL WILL BUY YOU A PENSION

SEND TO-DAY FOR INTERESTING ILLUSTRATED BOOKLET

CONFEDERATION LIFE ASSOCIATION
Head Office TORONTO
FILL OUT AND MAIL

Please send me booklet "Your Key to Happiness and Prosperity"
Name ....
Address ....

How Busy Executives Plan Their Trips

"When I am travelling on business, I telephone ahead to arrange for appointments with men I wish to see. This prevents the waste of time which would result if I arrived to find these men out of town or too busy to see me without considerable waiting. It enables me to cover territory more rapidly, and at less expense," says the Merchandise Manager of a big firm.

Always make appointments by telephone, before calling, in the city or outside.

THE BELL TELEPHONE CO. OF CANADA

739

Like a Water-Tank on the Prairie

As the trains roll along over the great Western Plains, no traveller crossing the prairie provinces can fail to be profoundly impressed with the enormous distance between stations—how small the towns seem—how scattered the farm homes!

Literally as well as figuratively, the West is the country of the vast open spaces—a fundamental fact that should never be overlooked by the advertiser trading into Western Canada. Yet in these country homes, in these towns and on these farms live Canada's best buyers of advertised merchandise.

How to reach them—most economically — most effectively — so that the maximum volume can be sold and still leave a profit? This is the problem of the advertiser.

The method of successful advertising to the Western rural field (where three-quarters of the population live), proven time and again by experienced manufacturers and great mercantile houses, is to aim by whatever method they adopt, to put their message before as many of the people as possible in the most economical manner. A great Mail Order Jewelry house cut the quality of the paper being used in their catalogue, and decreased its size, so they could mail more catalogues and get them before more people at the same cost. They sold more goods!

The same formula applies to *Advertising*. The big circulation, low-cost medium that secures most coverage at the lowest rate, is the one that brings in the results in maximum sales, minimum cost, most widespread reader interest.

Shrewd advertisers follow this method by sustained space in the famous Western agricultural newspaper, The Free Press Prairie Farmer.

The Largest Circulation in Western Canada
The Lowest Milline Rate
Greatest Volume of Advertising
COMPLETE FACTS ON REQUEST

Free Press Prairie Farmer
WESTERN CANADA'S LEADING RURAL PUBLICATION
Founded in 1872 and Published by the Proprietors of the Winnipeg Free Press
WINNIPEG

ADVERTISING OFFICES IN EASTERN CANADA
TORONTO, 18 WELLINGTON ST. E. AND 1070 BLEURY ST., MONTREAL
IN THE UNITED STATES—HENRY DE CLERQUE INC.
CHICAGO, TRIBUNE TOWER. NEW YORK, 12 E 41st STREET. HEARST BLDG., SAN FRANCISCO
LOS ANGELES, 117 W. 9th STREET AND 807 LEARY BLDG., SEATTLE
IN GREAT BRITAIN—THE CLOUGHER CORPORATION LTD.
ROYAL COLONIAL CHAMBERS, 18-20 CRAVEN ST., W.C. 2, LONDON

Ask Your Advertising Agency

Winnipeg Electric in Time May Buy City Owned System

Logical For All Enterprises To be Under One Control

From Our Own Correspondent

WINNIPEG.—It was announced last week that the Manitoba Government had withdrawn its application to the Dominion Government for the leasing of the power site at Seven Sisters Falls, on Winnipeg River, that the site would be developed by the Winnipeg Electric interests and that a thirty year contract would be entered into for the sale at a low rate of such power as may be required by the Manitoba Hydro.

To make clearer the power situation in Manitoba it should be explained that there are now three power distributing agencies in the province, The Winnipeg Electric Railway Company, of which the Manitoba Power Company is a subsidiary, the City of Winnipeg Hydro and the Provincial Hydro. There are, and apparently will continue to be, but two interests engaged in developing power, the Winnipeg Electric and the City of Winnipeg Hydro. The Provincial Hydro now buys a small amount of power from the City of Winnipeg Hydro and its new contract with the Winnipeg Electric will give it a call on a large block. The Manitoba Paper Company control a power site at Pine Falls, but at present buy power from the Manitoba Power Company.

There is a single source of power, the waters of the Winnipeg River, which, as it flows in a generally north-westerly direction from the Lake of the Woods to Lake Winnipeg, contains a considerable number of power sites both in Ontario and in Manitoba.

Pinawa First Developed

Of these power sites several have recently come under public notice. The Pinawa power site was the first to be developed, by the Winnipeg Electric Railway. Its special interest now lies in the fact that its existence interferes with the most complete and economical development of the Seven Sisters power site, about which the three-cornered discussion was recently taking place between the Manitoba Government, the Government at Ottawa and the Winnipeg Electric Railway. It is to be closed down and the water diverted to the new development of the Seven Sisters site. The Seven Sisters falls occur in two stage and it is possible to make use of them either by a two or a single stage development. The latter now appears to be the more likely.

The existence of the Pinawa development was one of the complications in the way of the plan for a time considered by the Provincial Government for Seven Sisters Falls. To prevent waste in development it would have been necessary for the province to acquire the plant there, either by negotiation or purchase. Assuming that could be done and the province could have proceeded to the complete development it would have introduced a new complication in the necessity of selling power back to the Winnipeg Electric, both because it needs the power and because the province would have had more on its hands than it could itself distribute. The logic of the situation pointed to leaving a single interest in charge of development of power now available at the Pinawa site and the two Seven Sisters sites, and it was also logical that the Winnipeg Electric, as the first in the field, should carry on.

City Plant at Pointe du Bois

The city of Winnipeg Hydro development is at Pointe du Bois. The Manitoba Power Company, subsidiary of the Winnipeg Electric, has developed the site at Great Falls. The Winnipeg City Hydro has another site in reserve at Slave Falls. Its needs for power have already outgrown the supply available from Pointe du Bois, but rather than proceed at once to develop Slave Falls it has made a contract with the Manitoba Power Company for a block of power from the Great Falls development.

That contract has not yet come into effect but will do so within a few months. It gives the city the right to call on the Manitoba Power Company for power up to forty thousand horse power during a period of nine to eleven years.

Citizens Use Much Power

The City Hydro is to be regarded primarily in connection with the domestic market in the city. That was not the market the city had in view when the plant, which first commenced operation in 1913, was established. The idea was to bring about an industrial development in Winnipeg by a supply of cheap power. However, when the power was ready the industrial market was not there and the City Hydro set about the cultivation of the use of electricity, a project in which it has made a remarkable success. To a degree unknown in many other cities, the homes of Winnipeg use not only electric light but power for cooking, water heating, washing machines and other household devices. The average rate of consumption in the houses served by the City Hydro is 8¼ kilowatt hours per day. The nearest known approach to this record is Toronto with a consumption of 3½ kilowatt hours per day per home. The result of this, together with the low domestic rates prevailing in Winnipeg, which average very little over one cent per kilowatt hour, is that the utility is very firmly rooted in the affections of the people of Winnipeg. The total investment of the city in the project is now $18,400,000. It is operated at a profit. The consolidated surplus last year, after paying fixed charges and depreciation, was $268,226.93. The reserve now stands at $6,653,507.52.

Competition Is Keen

The Winnipeg Electric is in keen competition with the City Hydro for domestic, commercial and industrial business in the city, and has in addition large industrial customers outside of the city as well as a considerable suburban business. However, the Winnipeg Electric system is to be regarded more from the industrial and commerlcial standpoint than from the domestic.

As that company held the gas franchise for the city of Winnipeg, they were not particularly concerned to see electricity replace gas for domestic cooking. The fact that electric ranges were becoming the standard article of use in Winnipeg seemed to threaten for a time the gas business of the company, but there seems to be a considerable field for the use of gas in both domestic heating and industrial purposes. The Winnipeg Electric, partly because of financial connections, has been able to keep a good grip upon industrial and commercial sale of power. And, of course, the Street Railway itself is the largest single user of power.

Provincial Hydro Is Small

The Manitoba Provincial Hydro is as yet a comparatively small enterprise. It was organized by the Provincial Government under the Norris regime, with the idea of distributing power to the towns and villages in the province. The intention was to purchase power from the city of Winnipeg Hydro, which at that time appeared to have a considerable surplus of power. The original construction of the whole lines and substations of the Provincial Hydro was costly and extravagant and its early years resulted in large operating losses. The present government, on assuming office, wrote off about half a million dollars of excess capitalization and deficits and have announced an intention to extend the system gradually throughout the province. Nothing very rapid in this direction was looked for and it was generally assumed that the growth, if any, of the provincial distributing system would be gradual. The situation was brought to a head a short time ago when it was reported that the Winnipeg Electric were seeking a franchise from Ottawa for the development of Seven Sisters power site, The provincial government immediately filed an application at Ottawa for a license for development of that site and claimed priority in view of the province's acknowledged interest in the natural resources of the province. Having done that, the Manitoba government engaged the services of Dr. T. A. Hogg, chief hydraulic engineer of the Ontario electric system, to report on the feasibility and desirability of the province undertaking that development. Dr. Hogg's report was made public on March 19th. His recommendation was against the province undertaking to develop power on its own account if it could assure itself of the purchase of sufficient power to meet the needs of its present system.

Develop Site at Once

Events then moved very rapidly and within a few days an agreement was concluded between the provincial government and the Winnipeg Electric by which the province agreed to abandon its application for the Seven Sisters site in return for an agreement to supply it with power at a low rate. The Winnipeg Electric has agreed to proceed at once with the development of the Seven Sisters site. From the standpoint of both the company and the province the agreement may be considered satisfactory. The province avoids the very large expense that a proper development of the site would call for, a development which would give it power far in excess of its needs. As Dr. Hogg pointed out in his report, only one per cent. of the power output of Manitoba was taken by the Provincial Hydro. Dr. Hogg's estimate was that even if there should be a development parallel to that in Ontario, the peak-load would not exceed 6,400 horse power in 1930, and in thirty years, the demand would not exceed 25,000 horse power.

Province Gets Low Rate

The contract is that the province is to secure its power, up to 30,000 horse power, from the Winnipeg Electric, at a rate not to exceed $13 per h.p., which is a remarkably low rate. However, the contract need not be regarded as oppressive from the standpoint of the company in view of the fact that there is little likelihood for many years of the Provincial Hydro requiring any very large delivery of power and they will be free to market most of their development at whatever rates they can secure from industrial customers.

It is reported that the Winnipeg Electric will proceed at once with a large installation at Seven Sisters. This, it must be admitted, is anticipating the needs of the future to some extent for the Great Falls site, owned by the Winnipeg Electric subsidiary, the Manitoba Power Company, can develop thirty or forty thousand more horse power than is already being used. It may be, however, that the Winnipeg Electric is putting itself in a position where it will control all future power developments in Manitoba on the Winnipeg River. The city of Winnipeg has under reserve a power site at Slave Falls which is only a few miles from its Pointe du Bois plant and which logically should be developed, when the time arises in connection with that plant. But it is doubtful if the ratepayers of Winnipeg will sanction a further large expenditure unless that appears to be absolutely necessary. In spite of the affectionate regard which the people of Winnipeg have for their hydro utility that regard is rooted in the fact that electricity is available at low prices.

Citizens Are Contented

If the Winnipeg Electric interests can continue to keep their supply of power ahead of the actual requirements, the average citizen is likely to remain content with the present situation and the ratepayers may refuse to sanction a further investment of five or six million dollars in an additional power project. Indeed, it would not be surprising some time in the future to have the suggestion seriously put forth that the city might turn over to the Winnipeg Electric the business of manufacturing power on guarantees that power would be provided to it at low rates. In return the Winnipeg Electric might turn over to the City Hydro the complete distribution of power within the city limits, except such as is required for the Electric Railway itself.

In the long run it would probably be more economical for all of the power on the Winnipeg River to be developed by a single company, while at the same time there are undoubtedly economies to be effected by consolidating within the city the business of distributing electric light and power.

Plenty of Cheap Power

Such a suggestion would at the present time probably appear fantastic to the majority of people in Winnipeg in view of the fact of the undoubted success of the Winnipeg Hydro in power development, but as the financial strength of the Winnipeg Electric grows it may be that they will be able to raise money almost as economically as the city can do it. In that event the undoubted economies which might be effected under such an arrangement will be bound to come to public attention. Whatever the developments, Winnipeg seems assured for a considerable time of plenty of electric power, available at low cost, for all domestic, commercial and industrial uses.

SMALLER PROFITS BEING PREDICTED FOR CAN. COTTONS

Competition of American and English Mills is Blamed

From Our Own Correspondent

MONTREAL.—Lower profits are forecast for Canadian Cottons as a result of keen competition that has characterized the cotton business during the past year. The company's financial year ends this week, and although it will be at least three or four weeks before inventories have been completed and definite figures are available, nevertheless those close to the company, intimate that there will be a reduction in profits from last year.

Net profits, after deducting bond interest and all other charges have amounted to $464,000 in the past two years.

The competitive conditions which have been prevalent in the industry have been brought to a head by the American and English mills, selling their goods at less than cost, according to the cotton men. This has necessitated similar action on the part of the Canadian mills. This situation has not been improved at all by the recent tariff changes, which have reduced in some degree the protection that was hitherto granted to cotton goods.

It is pointed out that the year 1927 has already proven itself one of the most difficult that the industry has faced for some time, and that a great many American mills have been forced into bankruptcy within the past six months. The annual meeting of Canadian Cottons will not be held until the beginning of May.

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CANADIAN PACIFIC RAILWAY COMPANY

Forty-Seventh Annual Report of the Directors of the Canadian Pacific Railway Company, Year ended December 31st, 1927.

To the Shareholders:

The accounts of the Company for the year ended December 31st, 1927, show the following results:—

Gross Earnings		$201,145,751.85
Working Expenses (including all taxes)		161,630,180.45
Net Earnings		$ 39,515,571.40
Special Income		11,876,559.78
		$ 51,392,131.18
Deduct Fixed Charges		15,378,867.44
Surplus		$ 36,013,263.74
Contribution to Pension Fund		600,000.00
		$ 35,413,263.74
From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent., paid October 1st, 1927	$2,002,971.76	
And three quarterly dividends on Ordinary Stock of 2½ per cent. each, paid June 30th, 1927, October 1st, 1927, and December 31st, 1927	19,500,000.00	
		21,502,971.76
		$ 13,910,291.98
From this there has been declared a second half-yearly dividend on Preference Stock of 2 per cent., payable March 31st, 1928	$2,002,971.76	
And a fourth quarterly dividend on Ordinary Stock of 2½ per cent., payable March 31st, 1928	6,500,000.00	
		8,502,971.76
Leaving net surplus for the year		$ 5,407,320.22

Special Income for Year Ended December 31st, 1927

Net Revenue from Investments and Available Resources, Exhibit "C"	$ 3,198,275.00
Interest on Deposits, and Interest and Dividends on Other Securities	2,932,826.20
Net Earnings Ocean and Coastal Steamship Lines	2,442,129.18
Net Earnings Commercial Telegraph and News Departments, Hotels, Rentals and Miscellaneous	3,303,329.40
	$ 11,876,559.78

Earnings and Expenses

The working expenses for the year, including all taxes, amounted to 80.36 per cent. of the gross earnings, and the net earnings to 19.64 per cent., as compared with 77.30 per cent. and 22.70 per cent. respectively in 1926. Excluding taxes, the ratio of working expenses to gross earnings was 77.87 per cent. and in 1926, 74.41 per cent.

Gross earnings increased $3,120,160 over those of the previous year, and working expenses $8,549,716. The net earnings, before deducting fixed charges, exclusive of Special Income, were $39,515,571, or a decrease under the previous year of $5,429,555.

The results of the year's operations can scarcely be considered satisfactory due to the heavy increase in working expenses and would have been substantially better had it not been for the decreases in rates on grain made effective during the Summer and increased wages to all classes of employees granted during the year. The major increases in expenses were in Maintenance of Way and Structures, $2,339,000; Maintenance of Equipment, $2,571,000, and in Transportation, $3,219,000. Your Directors have steadily adhered to the policy of maintaining the property of the Company in the highest possible state of efficiency.

The results for the year give further evidence of the need for increases in transportation revenues if gross earnings are to keep pace with operating costs.

Division of Expenses

Of the total expenses of the Company in railway operations during the past year, 59.05 per cent. were attributable to labor costs; 26.25 per cent. to cost of material for maintenance of way, equipment and miscellaneous supplies; 11.15 per cent. to the cost of fuel and locomotive supplies, and 3.09 per cent. to taxes. Loss and Damage claims amounted to only .46 per cent. of the total expenses.

Special Income

The special income of the Company shows an increase over that of the previous year of $820,000, due principally to larger earnings of ocean and coastal services and increased dividends from the Consolidated Mining and Smelting Company. The special income has been added to the summary of the accounts in order to show the gross result before deduction of fixed charges and dividends.

Land Sales

The sales of agricultural lands for the year were 430,368 acres for $5,111,797.51, being an average of $11.88 per acre. Included in this area were 10,951 acres of irrigated land which brought $46.65 per acre, so that the average for the balance was $10.97 per acre.

Issue of Additional Common Stock

Pursuant to the authorization given at the last Annual Meeting, the Directors of the Company decided to issue 400,000 shares of additional Ordinary Capital Stock, of which 325,000 shares were offered for subscription by shareholders at the price of $150 per share, and 50,000 shares were offered for subscription by the officers and employees of the Company at the same price. As the applications for stock by officers and employees exceeded by 6,290 shares the amount offered, your Directors decided to increase the number of shares available for this purpose to 56,290 shares. The remaining 18,710 shares will be disposed of in the market when conditions warrant such disposal.

Hotels

The extension to the Banff Springs Hotel will be completed in May of this year, and the work of construction of the Royal York Hotel at Toronto is proceeding satisfactorily.

Your directors, after discussion with the National Railways and upon the strong recommendation of the latter, agreed to subscribe for $100,000 of the Preferred Stock in the Lord Nelson Hotel at Halifax, Nova Scotia, the National Railways undertaking to recommend the Government's approval of a subscription by that Company of $250,000 of such stock. This arrangement was not given effect to owing to Government objection, and your Company was pressed to increase its subscription to $350,000. Your Directors considered that, in view of your ownership of the Dominion Atlantic Railway serving the important tourist centres of the Evangeline country and connecting through the Eastern Steamship Company with the Port of Boston, the local project, which received general support in Halifax, should be assisted to the extent mentioned. The subscription was accompanied by an offer to the National Railways to transfer to that Company or the Government $250,000 of the Preferred Stock at cost up to July 1st next—in other words, renewing the proposal made by the National Company to this Company. The National Railways shortly afterward announced the construction of a hotel by that Company. Your directors deplore this duplication as entirely without justification and are continuing negotiations with the National System in the hope that a way may be found of avoiding it.

Canadian Pacific Steamships Limited

The year 1927 showed a decrease in revenue on the Atlantic and an increase on the Pacific, with the result that the net earnings of the entire fleet were moderately increased.

During the year the S.S. "Bawtry" was disposed of.

In order to provide for the replacement of vessels, the age or type of which rendered them no longer suitable for North Atlantic service, your Directors authorized the construction by Messrs. John Brown and Company of two first class 18 knot twin screw geared turbine oil burning passenger and cargo steamships, to be delivered in January and March, 1929.

Your Directors are of the opinion that an additional vessel should be ordered for the Pacific service and another first class vessel for the Quebec-Southampton service.

You will be asked to approve resolutions confirming the action of the Directors and authorizing the construction of the four vessels and the issuance of Consolidated Debenture Stock to defray the expense.

Branch Lines

During the past year the construction of branch lines which you had authorized in Western Canada was proceeded with, 203 miles being graded, 170.9 miles of track being laid and 108.3 miles ballasted on lines in the process of construction.

Your Directors are of the opinion that further extensions should be built as conditions warrant, and your authority will be asked for proceeding with the construction and for the issue of Consolidated Debenture Stock in aid of the following lines, namely:—

	Miles
1. Swift Current Northwesterly Branch (Alberta), Willingdon to Edmonton	70.0
2. Moose Jaw Southwesterly Branch (Saskatchewan), Mileage 109 to 146	37.0
3. Aikins Northerly Branch (Saskatchewan), Mileage 0 to 20	20.0
4. Hatton Northeasterly Branch (Saskatchewan), Mileage 0 to 18	18.0
5. Leader Southerly Branch (Saskatchewan), Pennant southwesterly	24.0
6. Fife Lake Branch (Saskatchewan), Mileage 43 to 63	20.0
7. Archive - Wymark Branch (Saskatchewan), Mileage 62 to 74	12.0
8. Unwin Westerly Branch (Saskatchewan - Alberta), Mileage 0 to 20	20.0
9. Rosetown Northerly Branch (Saskatchewan), Mileage 21 to 45	24.0
10. Gem Colony Branch (Alberta), Mileage 8.5 to 11.	2.5

It is also proposed to construct a branch of the Alberta Railway and Irrigation Company's railway from Woolford Southeasterly a distance of 13 miles. The A.R. & I. Company has authority to issue Bonds not exceeding $40,000 per mile which will, in the usual course, be acquired by this Company with the proceeds of the sale of Consolidated Debenture Stock to be issued for the purpose.

During the year your Directors purchased the abandoned railway of the Hereford Railway Company constructed from the Vermont line near Beecher Falls to Lime Ridge, Que., a distance of fifty-three miles, for the sum of $46,378. It was a term of the purchase that only the line between Cookshire and Malvina, 22.48 miles, should be operated, the remainder to be dismantled.

Subject to necessary statutory authority being obtained, your Directors have also agreed to purchase from the Government of the Province of Alberta the railway and capital stock of the Lacombe and North Western Railway Company, constructed from Lacombe northwesterly to Breton, Alberta, a distance of 71.56 miles, for the sum of $1,500,000. the Company to indemnify the Province against future liability on its guarantee of the outstanding First Mortgage Five Per Cent. Bonds of the Lacombe and North Western Railway Company, aggregating $273,700, and to undertake to extend the line to Telfordville, a distance of 20 miles. Your approval of these transactions and your authority for the issue of Consolidated Debenture Stock to aid in financing them will be asked for.

Agreements and Leases

Your confirmation and approval will be asked of the following agreements and leases made by your Directors during the past year:

(1) Lease dated August 1, 1927, whereby the St. Johnsbury and Lake Champlain Railroad Company leased to the Company that part of its railway between St. Johnsbury and Lunenburg, Vermont, for the term of ten years from August 1, 1927, at the annual rental of Twenty-five Thousand Dollars, and an underlease of the same property to the Maine Central Railroad Company for the same term at the same rental.

(2) Agreement dated 13th June, 1927, between the Company and the Canadian National Railway Company, whereby the Company acquired the right to use that part of the Canadian National line between Knee Hill and Rosedale, Alberta, on the basis of paying one-half the interest charge on Capital Account and a wheelage proportion, with a minimum of 20%, of the maintenance and operation expense.

(3) Agreement dated 13th June, 1927, between the Company and the Canadian National Railway Company, whereby provision is made for the construction by this Company of a line to be jointly owned and used by both Companies between Rosedale and Bull Pound Creek, Alberta, the Canadian National to reimburse this Company for one-half of all capital expenditures, and to pay a car mileage proportion, with a minimum of 20%, of the maintenance and operation expense.

(4) Agreement dated 21st February, 1928, between the Company and the Canadian National Railway Company, whereby the Company obtained the right to use that part of the line of the Canadian National between a point near Port McNicoll and its terminus in the Town of Midland, Ontario, on the basis of paying one-half the interest charge and a wheelage proportion, with a minimum of 20%, of the maintenance and operation expense.

Bridges

During the past few years substantial progress has been made in the renewal of bridges in order to meet the increasing weight of power and equipment. During 1928 your Directors propose to continue this policy and to incur an expenditure of approximately $1,332,000 in replacement of bridges, principally on the Mountain and Oshawa Subdivisions.

Minneapolis, St. Paul and Sault Ste. Marie Railway Company

The results of the operations of your subsidiary, the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, (including the Wisconsin Central), showed a distinct improvement over 1926, and notwithstanding that the Wisconsin Central showed a loss of $478,000, the net gain for last year was $1,541,000. The unsatisfactory showing of the Wisconsin Central during the latter half of the year was due to general recession in business. Crop conditions in quite a large portion of the territory served by the Soo Line proper were below the average, but the benefit of the work done in the last few years in diversity of farming was felt. The properties of these railways have been well maintained and better results are looked for in the future.

Capital Expenditures

In anticipation of your confirmation, your Directors authorized capital appropriations, in addition to those approved at the last Annual Meeting, aggregating for the year 1927, $3,733,443, and ask your approval of expenditures on capital account during the present year of $10,940,357. Of this amount the principal items are:—

Replacement and enlargement of structures in permanent form	$ 654,024
Additional stations, round houses, freight sheds and shops, and extensions to existing buildings	1,300,086
Tie plates, rail anchors, ballasting, ditching and miscellaneous roadway betterments	2,152,225
Replacement of rail in main and branch line tracks with heavier section	1,623,793
Additional terminal and side track accommodation	1,393,092
Improving coaling and watering facilities	266,605
Mechanical Department, machinery at various points	530,513
Improvements in connection with Telegraph Service	1,123,991
British Columbia Lake and River Steamers	49,000
British Columbia Coast Steamships	21,700

The balance of the amount is required for miscellaneous works to improve facilities and effect economies over the whole System.

Stock Holdings

The position of the holdings of the Common Stock of the Company at the end of the fiscal year just closed was as follows:—

United Kingdom	48.84%
Canada	18.02%
United States	26.20%
Other countries	6.94%

Death of Mr. Hosmer

Your Directors regret to report the death on November 14th, 1927, of Mr. Charles R. Hosmer, who had been a member of the Board for twenty-eight years and of the Executive Committee since May, 1925. Mr. W. A. Black was elected a Director to fill the vacancy occasioned by Mr. Hosmer's death and Mr. F. W. Molson was elected a member of the Executive Committee.

Retiring Directors

The undermentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election:—

Mr. Grant Hall
Sir Vincent Meredith, Bart.
Mr. E. R. Peacock
Mr. W. N. Tilley, K.C.

For the Directors,
E. W. BEATTY,
President.

Montreal, March 12th, 1928.

CANADIAN PACIFIC RAILWAY COMPANY

General Balance Sheet, December 31st, 1927

ASSETS

Property Investment:			
Railway, Rolling Stock Equipment and Lake and River Steamers			$686,387,126.48
Ocean and Coastal Steamships, Exhibit "A"			76,591,843.85
Acquired Securities (Cost): Exhibit "B"			145,710,386.78
Advances to Controlled Properties and Insurance Premiums			12,545,815.90
Investments and Available Resources:			
Deferred Payments on Lands and Townsites		$54,739,614.95	
Provincial and Municipal Securities		792,721.29	
Miscellaneous Investments, Exhibit "C", Cost		25,972,592.60	
Assets in Lands and Properties, Exhibit "D"		86,709,784.04	
			168,214,712.88
Working Assets:			
Material and Supplies on Hand		$22,412,981.17	
Agents' and Conductors' Balances		5,230,788.21	
Net Traffic Balances		1,679,677.36	
Imperial, Dominion and United States Governments, Accounts due for Transportation, etc.		1,227,295.19	
Miscellaneous Accounts Receivable		7,328,668.10	
Cash in Hand		41,968,662.79	
			79,848,067.82
			$1,169,297,953.71

LIABILITIES

Capital Stock:			
Ordinary Stock		$260,000,000.00	
Payments on Subscription to New Issue Ordinary Stock ($40,000,000.00)		34,002,549.37	
Four Per Cent. Preference Stock		100,148,587.78	
			$394,151,137.15
Four Per Cent. Consolidated Debenture Stock	$304,244,882.08		
Less: Collateral as below*	40,000,000.00		
			264,244,882.08
Ten Year 5% Collateral Trust Gold Bonds (1934)*			12,000,000.00
Twenty Year 4½% Collateral Trust Gold Bonds (1946)*			20,000,000.00
Twenty Year 4½% Sinking Fund Secured Note Certificates (1944)	30,000,000.00		
Less: Purchased by Trustee and cancelled	3,515,400.00		
	26,484,600.00		
Less: Amount held by Trustee	149,520.94		
			26,335,079.06
Mortgage Bonds:			
Algoma Branch 1st Mortgage 5 per cent.			3,650,000.00
Current:			
Audited Vouchers		7,847,871.69	
Pay Rolls		3,985,134.13	
Miscellaneous Accounts Payable		5,265,400.30	
			17,098,406.12
Accrued:			
Rentals of Leased Lines and Coupons on Mortgage Bonds			1,006,099.51
Equipment Obligations			15,470,000.00
Reserves and Appropriations:			
Equipment Replacement		1,157,502.37	
Steamship Replacement		16,130,715.20	
Reserve Fund for Contingencies and for Contingent Taxes		23,112,239.36	
			40,400,456.93
Premium on Ordinary Capital Stock Sold: Less: Discount on Collateral Trust Gold Bonds and Note Certificates			40,278,965.22
Net Proceeds Lands and Townsites			73,721,856.74
Surplus Revenue from Operation			143,796,822.37
Special Reserve to Meet Taxes Imposed by Dominion Government			2,059,360.58
Surplus in Other Assets			115,084,887.85
			$1,169,297,953.71

J. LESLIE,
Vice-President and Comptroller.

Auditors' Certificate.

We have examined the Books and Records of the Canadian Pacific Railway Co. for the year ending December 31st, 1927, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

PRICE, WATERHOUSE & CO.,
Chartered Accountants (England).

Montreal, March 9th, 1928.

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Public Utility Earnings

NORTHERN MEXICO POWER

February:	1927	1928	Increase	%
Gross	120,034	127,126	7,092	5.90
Net	100,309	104,802	4,493	4.47
2 Months:				
Gross	246,448	262,866	16,417	6.67
Net	205,997	218,363	12,366	6.00

CANADIAN WESTERN LUMBER CO.

Statement of Lumber Manufactured, Sales and Prices Realised for the month of Jan.

	1927 feet	1928 feet	Change feet
Lumber mfg.	6,165,133	10,362,969	+ 4,197,836
Lumber sold	8,292,862	8,161,734	— 131,128
Price realised	$188,363	$175,135	— 13,228

WINNIPEG ELECTRIC

January	1927 $	1928 $	Increase $
Gross earnings	549,739	569,241	19,502
Expenses	337,465	367,441	29,976
Net earnings	212,274	201,800	x10,474

x Decrease.

BARCELONA TRACTION

February	x1928 Pesetas	1927 Pesetas	Increase Pesetas
Gross earn.	8,309,785	7,886,258	423,527
Oper. expenses	2,158,097	2,100,612	57,485
Net earn.	6,151,688	5,785,646	366,042
Aggre. gross from Jan. 1st	16,963,647	15,990,388	973,259
Aggre. net from Jan. 1st	12,594,817	11,716,947	877,870

x These figures include the earnings of the newly acquired Gas Company de Mataro.

B. C. ELECTRIC

January	1927 $	1928 $	Increase $
Gross earn.	1,138,526	1,221,045	82,519
Expenses, maintenance &c.	773,933	824,012	50,079
Net income	364,593	397,033	32,440
Aggre. gross from 1st July to 31st Jan. 1928	7,432,968	7,840,669	407,701
Aggre. net from 1st July to 31st Jan. 1928	2,178,925	2,292,429	113,504

Stock Market Record

WEEK ENDING MARCH 27

	Div. Rate	Yield Mar. 26	High for wk.	Low for wk.	Close Mar. 27	Close Mar. 20	Sales for wk.	Range, 1928 High	Range, 1928 Low
Banks—									
Commerce	12+1	4.59	284	281	281¾	281	214	290	277
Dominion	12+1	4.90	266	265	265	266	70	270	261
Can. Nationale	10	5.10	198½	196	198	197	229	198½	185
Imperial	12+1	5.20	250	249⅛	250	249	151	250	245
Montreal	12+2	4.00	352	349	351	350	313	352	334
Nova Scotia	16	4.11	389	385	388	384	284	390	375
Royal	12+2	3.92	358	354	357	355	620	359½	330
Standard	12	4.93	246	242	246	243	63	265	236
Toronto	12+1	4.36	299	296	299	298	180	306	280
Paper—									
Abitibi, c. (n.p.)	$4	5.06	79	78	78½	78¾	8882	83	71½
Do. pref.	6	...	98¼	96¾	98¼	97	1150	98¼	96¾
Belgo Can., pref	7	6.60	107	106	106	107	83	110	106
Brompton (no par)	$2	3.43	62½	56	62½	56½	7595	71	51
Can. Pr. & Paper	.	...	39	38½	89	38½	6167	41	35
Fraser, com.	$1	1.61	64	62	64	64	1168	66	52
Int. Pap., c. (n.p.)	$2.40	3.15	77¾	73⅝	76⅞	74	74800	78½	67⅛
Do. pref.	7	6.57	106½	106	106	107	700	108	105
Laurentide	6	...	..	...	...	...	...	135	113
Pt. Alf. P., c. (n.p.)	.	...	111	110	111	111	385	122	95
Do. pref.	7	6.60	106	106	106	106	45	108	102
Price Bros., com.	2	2.24	90	88	89	88	280	96	78
Do. pref.	6½	6.25	105	103⅞	103⅞	105½	39	107¼	103
Smith, Howard, com.	.	...	120	89	118	90	6105	120	71
Do. pref.	8	6.78	118	117	118	117	264	118	115
Span. River, com.	7	...	..	...	...	...	...	163½	135
Do. pref.	7	5.26	138	133	133	133½	1	152	130
St. Maur. V., c. (n.p.)	.	...	96	96	96	99	5	100½	72½
Do. pref.	7	6.74	103¾	102¼	102¼	102¾	190	105½	101½
Wayagamack (n.p.)	$3	3.06	98½	97	97	96	692	127¼	94½
Do. Rights	.	...	12	10¼	10½	10½	1154	13	10
Steel and Steel Industries—									
B.E. Steel, com.	.	...	3⅛	3	3⅛	3⅜	290	5¼	1
Do. 1st pref.	.	...	43	41	41	42½	955	48⅛	22
Do. 2nd pref.	.	...	8	6⅞	7¼	7½	1557	11¼	3½
Can. Car & Found, c.	.	...	52	50⅞	51½	50¼	1370	54⅞	44
Do. pref.	7	7.44	95	90	95	95	515	95½	90
Can. Fairbanks, pref.	6+3†	5.82	..	...	...	...	...	103	103
Can. Forgings, com.	.	...	15	15	15	17	5	20	15
Do. pref.	5†	...	85	81	85	80	175	85	65
C.G.E., c. (par $50)	.	...	107	105	107	91	195	107	70½
Do. pref.. (par $50)	7	5.88	60	59½	59½	60½	33	62½	58½
Canada Iron, com.	.	...	..	...	...	...	...	26	25
Do. pref.	4	...	..	...	...	...	...	80	60½
Can. Locomotive, com.	.	...	40	40	40	...	...	40	40
Do. pref.	†	8.28	87	84	84½	83	25	87	75
Dominion Bridge	$2.60	8.29	78¾	71	78	70½	163	78¾	61½
Dominion Coal	.	...	95½	94	95	95	52959	96½	75
Dominion Iron, pref.	.	...	..	...	...	...	255	12	5
Dom. Steel Corp., pref.	.	...	..	...	...	...	...	76¼	44½
East Steel Prod. (n.p.)	.	...	34	27½	31	27	...	34	23
Do. pref.	7	7.29	96	96	96	96⅞	847	99	94
Ford Motor	15	...	..	...	...	...	30	x475	436
Gotfredson, c. (n.p.)	.	...	..	...	...	...	...	15	8
Gould Pumps, pref.	7	...	..	...	...	...	...	x100	100
Hayes Wheel, c. (n.p.)	.	...	25	24	25	24	...	31½	23
Do. pref.	7	7.33	95½	95½	95½	95	195	100	95
Kelvinator, c. (n.p.)	.	...	9½	9½	9½	9¼	10	12	5
Do. pref.	7	8.75	80	80	80	80	40	80	65
Massey-Har., c. (n.p.)	.	...	42	40½	41¼	40¾	5	47¼	36¾
Do. pref.	7	6.43	108½	108¼	108¼	108½	16567	110	107½
McKin. Ind., c. (n.p.)	.	...	40	38½	38½	36	137	40	27¾
Do. pref.	7	7.07	99	98	99	98	465	99¾	97½
Do. Vot. Trust	.	...	41¼	35	38½	35	74	41¼	26
N.S. Steel, pref.	.	...	..	...	...	...	2070	30	25
Ontario Steel, com.	6	...	..	...	...	...	...	118½	118½
Do. (new)	.	...	30	30	30	...	...	30	30
Do. pref.	7	5.83	..	...	...	...	90	120	120
Page Hersey, c. (n.p.)	$3	3.24	94	91⅜	91½	93	2050	108	85
Do. pref.	7	3.80	184	182	182	191	50	212	171
Pressed Metals, com.	$3	4.83	62	57½	62	57½	1795	62	50
Do. pref.	7	6.66	105	95	105	95	130	105	95
Russell Motor, com.	4	6.15	65	58	65	60	136	65	56½
Do. pref.	7	7.00	100	100	100	99	60	100⅛	97½
Steel of Canada, com.	7	3.72	190	186	188	190	330	199¾	180
Do. pref.	7	4.24	165	165	165	160	115	180	160
Milling, Foodstuffs and Merchandising—									
Alta. P. Gr., c. (n.p.)	.	...	63	60	60½	62	1821	70½	51
Do. pref.	7	7.00	100	99½	99½	100	91	101½	96½
Arnolds, c. (no par)	.	...	13½	13	13	13	310	20⅛	13
Do. pref.	.	...	..	...	...	...	...	87	83
Atlan. Sug., c. (n.p.)	.	...	21	20½	21	21	415	27½	15½
Do. pref.	.	...	..	...	...	...	...	85½	75
B.C. Fish., c. (n.p.)	.	...	12½	8½	11½	8½	4050	12½	6¾
Do. pref.	.	...	62	48	62	48	566	66	46
Can. Bak., c. (n.p.)	.	...	41	40	41	40	100	42	37
Do. pref.	7	6.66	105	104	105	104	8	105	102½
Can. Bread, c. (n.p.)	$6	3.87	155	155	155	156	5	170	153
Do. pref. (A)	7	5.69	123	123	123	124	8	124	115
Do. pref. (B)	7	6.45	108½	108	108½	108	30	110	106
Can. Canners, c. (n.p.)	.	...	18	17	17	17½	870	23	17
Do. 1st pref.	6	6.66	91½	89½	89½	91	215	94	88½
Do. 2nd pref.	60c	3.00	20½	20	20¼	20¼	1634	25	19
Canadian Salt	8	4.90	..	...	...	...	...	163	154
Christie Br., c. (n.p.)	$1.20	1.01	127	115	115	117	2260	131½	86
City Dairy, c. (n.p.)	$2	4.27	47	46	47	46½	1720	59¼	44⅜
Do. pref.	7	5.60	125	125	125	126	5	128	121
Cuban Can. Sugar, c.	.	...	2½	2	2	2½	125	3½	2
Do. pref.	.	...	..	...	...	...	...	30	25
Wm. Davies (A) (n.p.)	.	...	..	...	...	...	...	46	43
Do. (B) (no par)	.	...	..	...	...	...	...	20	19
Dom. Stores (n.p.)	$3	2.56	119	117	119	119	65	129	104½
Do. Rts.	.	...	9.00	8.75	8.87½	8.75	883	9.00	8.00
Ham. Dairies, c. (n.p.)	.	...	44	40	40	46	143	50	40
Do. pref.	7	6.84	102½	102¼	102½	102	10	103	102
Hunts, Ltd., c. (n.p.)	$1	2.56	39	39	39	39	25	46	37
Do. pref.	7	7.00	101	100	101	100	51	101	99
Inter. Milling, pref.	7	6.36	110	109½	110	110	5	110¼	107½
Lake of Woods, c.	12	7.27	165	165	165	170	10	185	165
Do. pref.	7	5.60	125	125	125	125	5	125	122
Do. Rights	.	...	1.25	.95	1.00	...	1915	1.25	.95
L. Secord, c. (n.p.)	.	...	44	42	44	41	350	46	37
Do. pref.	7	5.38	132	130	132	130	20	136	121
Loblaw, c. (no par)	$1	1.06	95	94	94	95	90	118	93⅛
Do. pref.	7	4.96	..	...	...	...	...	175	134
Do. Rts.	.	...	3.50	3.25	3.25	8.50	1313	3.75	3.00
Maple Leaf Mill., c.	.	...	110	106	110	111	150	128⅝	100
Do. pref.	7	6.42	110	109	109½	109	68	111	103
Muirheads, c. (n.p.)	60c	4.21	14½	14	14	14⅜	1025	16½	13¼
Do. pref. (par $10)	75c	5.35	14	14	14	14	6	17½	14
Nat. Grocers, pref.	8	8.04	100	99¼	100	99	77	99½	98
Ogilvie Fl., c. (n.p.)	5	1.26	400	390	390	400	68	425	390
Do. pref.	7	5.18	135	135	135	133¼	1	143	133¼
Pure Gold Mfg. (n.p.)	$1.50	5.88	..	...	...	...	...	28	22
Shred. W., c. (n.p.)	$3	4.41	68¼	67½	67½	68	495	78⅞	65½
Stanfords, c. (n.p.)	$1	4.15	..	...	...	...	...	27¼	23
Do. pref.	7	7.29	96	95½	95½	95½	11	96	94
St. Law. Flour, c.	.	...	35	35	35	35	5	52¼	35
Do. pref.	7	7.36	..	...	...	...	...	95	95
Viau Bisc., c. (n.p.)	.	...	25½	23	24	22	1052	33	15
Do. pref.	7	8.14	86	86	86	86	5	88½	84
W. Can. Fl., c. (n.p.)	$1.40	3.41	41	40	41	40	3046	50	31½
Do. pref.	6½	6.19	106	105	106	104	15	106	104
W. Groc., c. (n.p.)	$1	4.76	21	20	21	21	28	22	19
Do. pref.	7	8.23	85	82	85	80	183	85	75
Weston, com.	.	...	65	64	65	64	405	65	48
Do. pref.	.	...	100¾	100¼	100¼	100¾	80	100¾	100
Utilities—									
Bell Telephone	8	4.84	166½	164	165½	167	538	167	154
Calgary Power	5	4.71	..	...	...	...	...	108	100
Consumers Gas	10	4.95	202	202	202	202	53	202	196
East Koot. Pr. (n.p.)	.	...	..	...	...	...	...	25	25
Do. pref.	7	6.96	..	...	...	...	...	100½	99
Int. Util. (A) (n.p.)	$3.50	7.31	48½	46½	46½	47	3540	51¼	44¼
Do. (B) (no par)	.	...	9⅜	7¾	8½	8	6387	10⅝	6½
Jamaica Pub. Ser., pf.	7	6.25	112	112	112	111½	5	115	105
Laurentide Power	5	3.59	..	...	...	...	...	165	130
Mackay, com.	7	5.83	127	119	120	123	1040	133	109½
Do. pref.	4	5.33	83	75	75	83	771	83	66
Mexican Light, c.	.	...	112	95	112	81	278	112	61½
Do. pref.	3½	...	79½	79½	79½	77	10	80	77
Mont L H & P (n.p.)	$2	2.15	93	91	93	93	5408	94½	89
Mont. Teleg. (p. $40)	8	5.82	..	...	...	...	...	55⅝	53¼
Nor. Mex. Pr., c.	4	3.73	108	103	104	106	690	110	90
Do. pref.	7	6.93	..	...	...	...	...	105	97
Ot. & Hull P., c. (n.p.)	.	...	..	...	...	...	...	70	35
Do. pref.	7	6.48	..	...	...	...	...	108	99
Ott. L. H. & Pr., c.	6	4.61	128½	128½	128½	130	5	134	128½
Do. pref.	6½	6.19	105	104½	105	105	46	109	104
Power Corp., c. (n.p.)	.	...	83⅜	79	79½	80	4649	85½	70½
Do. pref.	6	5.79	103½	101½	101½	101½	40	103½	99
Quebec Power, c.	$2	2.22	90	85¼	89	85¼	5691	92	85
Shawinigan (n.p.)	$2	2.29	93½	84	85½	92	11677	99	87
S. Can. Pr., c. (n.p.)	4	2.89	141	138	138	135	251	161	114
Do. pref.	6	5.60	107	106	106	105	19	107⅞	100
Shawinigan Rts.	.	...	8⅞	7⅞	8	7⅞	48521	8½	7½
West Koot. Pr., pref.	7	6.57	..	...	...	...	...	106½	106½
Transportation—									
Can. Pacific Rly.	10	4.72	211½	211½	211½	215	2	217	200
Can. Steam., c. (n.p.)	.	...	38	35¾	36	38½	66	38½	31
Do. pref.	6	6.46	93	92	92	93	907	93	89
Do. voting	.	...	..	...	...	...	...	36	31
Tractions—									
Barcelona (par $50)	1	...	78	71	78	71	249	78	60
Brazilian, c.	7	3.22	218	208	217	208	35185	223¾	195
Do. Rts.	.	...	22¼	20	22	20	51694	22⅛	18
Do. (new)	.	...	56¼	53	55½	53	56411	56¼	50½
Do. pref.	6	3.72	..	...	...	...	...	183	160
Detroit Un. Rly.	.	...	..	...	...	...	...	1	1
Duluth-Superior	$1	6.66	15⅛	15	15	15	...	22	15
Mexican Trams.	.	...	..	...	...	...	...	x21	19¼
Montreal Trams.	10	5.02	195	195	195	199	35	200	190
Ottawa Traction	.	...	70½	68	68	70½	5	72	68
Porto Rico Rlys., c.	$3	...	..	...	...	...	300	x70⅜	59
Do. pref.	7	7.00	100	100	100	100	...	101	98½
Twin City, c.	4	9.09	47½	42	43	47¼	81	55	42
Do. pref.	7	6.63	..	...	...	...	1671	106	102¾
Winnipeg Elec., c.	2	1.61	127	119½	122	122½	9113	127	98
Do. pref.	7	6.42	109⅜	107	107	109	61	115	105½
Textiles—									
Can. Conn. Cot., pref.	4	4.81	83	76	83	75	820	88	66
Can. Converters	7	5.55	126¼	123	123	124	445	127	101
Can. Cotton, com.	8	5.92	..	...	...	...	...	152	130
Do. pref.	6	6.00	100	100	100	100½	10	104½	99½
Can. Woollens, com.	.	...	..	...	...	...	...	25	10
Do. pref.	.	...	..	...	...	...	...	85	78
Cosmos Imp., c. (n.p.)	.	...	20	18	19	20	555	27½	17
Do. pref.	7	7.10	..	...	...	...	...	101	98½
Dom. Tex., c. (n.p.)	$5	4.00	125	123¾	123¾	125	415	134½	123¾
Do. pref.	7	5.42	..	...	...	...	...	131	129
Monarch Knit., c.	.	...	..	...	...	...	...	x39½	7½
Do. pref.	.	...	61	60	60	61	40	70	45¾
Montreal Cottons, c.	6	5.21	..	...	...	...	...	116	115
Do. pref.	7	5.69	124	123	124	123	3	125	121
Penmans, c. (n.p.)	4	3.96	101	101	101	101	355	106	97½
Do. pref.	6	5.76	..	...	...	...	...	106¼	100
Wabasso Cot. (n.p.)	6	5.50	109	109	109	110	1	133	109
Zimmerknit (n.p.)	.	...	25⅝	23	28½	20	1506	30	20
Do. pref.	7	7.50	93	92	93	91¼	245	105	91
General Industrials—									
Am. Sales, c. (p. $20)	4	5.55	72½	71	72½	71	247	80	71
Do. pref.	7	6.48	108	108	108	107	20	112	106
Asbestos Co., c. (n.p.)	.	...	31½	30	31	30¼	3212	37	29
Do. pref.	7	7.56	97⅜	92	92½	92½	683	97⅜	90½
Brant. Cd., pf. (p. $25)	8	10.00	20	19	20	19½	330	21	15
Building Prod., com.	$1.20	2.72	44¾	40¼	42½	44	3265	47	33¾
Do. pref.	7	6.78	103¼	103¼	103¼	102½	1	106	102½
Burt, F. N., c. (p. $25)	$3	4.28	70	68	68	67	330	76	63
Canada Cement, c.	.	...	32	31	31½	32⅜	2823	35	31
Do. pref.	6½	6.50	100	99¼	99½	100	605	101¼	97½
Can. Bronze, c. (n.p.)	.	...	93⅞	89½	91	91	2530	93⅞	67
Do. pref.	7	6.30	111	110½	111	110½	130	111	109½
Conduits, c. (n.p.)	.	...	..	...	...	...	...	88	35
Do. pref.	7	6.86	..	...	...	...	...	102	101
C. Smelt. (p. $25)	10+40	4.60	275	269	270	269	4565	289½	251
Crow's Nest Coal	6	9.91	..	...	...	...	...	62	55
Dom. Glass, c.	7	5.28	132½	130	132½	132	225	135	125
Do. pref.	7	5.83	..	...	...	...	...	120⅝	119
Dom. Rubber, pref.	7	...	..	...	...	...	...	x75	75
E. Theat., c. (p. $25)	$2	8.00	..	...	...	...	...	29	25
Do. pref.	7	7.33	96	95½	95½	95	107	100	95
Famous Players, c.	.	...	100	93	95	90	1057	100	40
Do. pref.	8	7.61	105	104½	105	104½	485	106	102
Gilman, com.	6	5.31	113	113	113	110	50	120	109
Do. pref.	7	6.19	..	...	...	...	...	123⅛	113
Goodyear Tire, com.	$5	3.57	140	135	135	141	420	168	135
Do. pref.	7	6.49	108	106	107	108	297	108½	104
Gypsum & Alabastine.	.	...	62	51	51	61	785	63	51
Do. Rights	.	...	8.00	5.50	6.00	8.00	810	8.00	5.50
Ham. Un. Theatres, c.	.	...	10	10	10	10	245	12½	7
Do. pref.	7	8.43	83	83	83	82	135	83	82
Holt, Renfrew, c.	.	...	..	...	...	...	...	115	80
Do. pref.	7	7.00	..	...	...	...	...	100	92
Int. Nic., c. (p. $25)	$2	2.19	98¼	90	91	91¼	103335	100	73¾
King Edward Hotel	$6	10.16	62	58½	58½	61½	279	62	50
Lyall Construction	.	...	66	61	66	61	1755	66	47
Loew's, com.	.	...	40	40	40	40	5	40	40
Do. pref.	7	7.00	..	...	...	...	...	101¾	100
National Brick, com.	.	...	4	4	4	4	25	9	4
Do. pref.	6	8.33	72	72	72	72	5	75	60
Pacific Burt, com.	6	4.91	122	120	120	120	52	137	117
Do. pref.	7	5.82	..	...	...	...	...	136	120
Photo Engrav. (n.p.)	$2	5.71	35⅞	34½	34½	35	425	41¼	33
Port Hope San., com.	4+2	2.72	..	...	...	...	...	220	190
Do. pref.	7	5.73	..	...	...	...	...	122	120
Rogers, Wm., com.	4	5.97	67	67	67	67	74	70	65
Do. pref.	7	6.73	104	102½	104	102¼	32	104	100
Sher-Williams, com.	6	3.31	181	181	181	181	125	181	170
Do. pref.	7	5.60	125	125	125	120	18	129	120
Standard Chem., com.	$1	...	..	...	...	...	...	27	25
Sterling Coal	.	...	..	...	...	...	...	19	19
Tooke Bros., com.	.	...	..	...	...	...	...	20	19
Do. pref.	7	10.00	..	...	...	...	...	72	67
Tuckett Tobacco, c.	4	4.00	..	...	...	...	...	101½	98
Do. pref.	7	6.03	116	116	116	116	7	118	114
Woods Mfg., com.	.	...	..	...	...	...	...	x46	39
Do. pref.	7	8.86	..	...	...	...	...	80	77
Beverage—									
Brading Brew. (n.p.)	$2	7.40	27	27	27	27¾	15	32	27
Brew. & Dist. (n.p.)	40c	2.50	16¼	16	16	16	55	18	15¼
Can. Brew. (no par)	$2	5.79	35	34	34	34½	2005	40	29
C. Ind. Alc. (n.p.)	$1.52	3.39	46¾	40	43¼	40⅜	36668	46¾	31½
Do. "B"	.	...	41½	38	40½	39	2622	41½	36½
Can. Malting (no par)	$1.50	4.05	37	35½	37	36¼	4750	40¾	32¼
Carling Brew. (n.p.)	$2	5.71	36	34	35	36	2290	44	30
Com. Alco. (no par)	$1	2.63	38½	37½	38½	38½	785	40	25
Do. pref.	8	...	..	...	...	...	...	x110	103
Cosgrave B. (p. $10)	6	6.66	9	8½	9	8½	935	9¾	8
Chas. Gurd, c. (n.p.)	$2	2.00	103	100	100	99½	1066	114	93
Do. pref.	7	6.42	110	108⅞	108⅞	110	65	110	106
Hiram Walker (n.p.)	$2	3.12	65¾	59½	62½	59½	29713	69	54
Lake O. Brew. (n.p.)	$2	10.00	20	20	20	20	85	30	20
Federal Distil.	.	...	5	4¼	4¼	5	1131	5½	4¼
Nat. Brew., c. (n.p.)	4	3.36	119⅞	117½	119	117¼	13874	123½	112½
Do. pref.	7	5.60	125	125	125	125	5	125	122
Nat. Distilleries	.	...	19	17½	19	17½	180	20¾	15
Pelissiers	.	...	18	17½	18	17¾	1405	18½	13
Seagram (no par)	.	...	20½	20	20½	21	45	32¼	19
Do. Rts.	.	...	4.50	3.50	4.00	4.00	3485	4.75	3.50
Do. Receipts	.	...	21	18	18¼	18¾	2030	21	18
Toronto Brew. (n.p.)	.	...	10	10	10	10	50	10½	9½
Oil—									
Ajax	.	...	54½	50	51	54	20600	80	43
Beacon Oil	.	...	13⅝	13⅝	13⅝	14	25	17½	13¼
Brit. Am. Oil (n.p.)	$1	2.70	38½	36½	37½	36¾	19338	40½	31¾
Can. Oil, c. (n.p.)	$1	1.85	55	53	54½	53	450	68½	44
Do. pref.	8	6.06	140	130	132	128	150	170	128
Continental Oil	$1	...	..	...	...	...	...	22	17
Foothills Oil	.	...	2.90	2.50	2.50	2.90	2675	2.90	1.50
Frontenac Oil	.	...	..	...	...	...	...	34	27¾
Imperial Oil (n.p.)	$1.50	2.41	64	59	62	59¼	20168	65¼	56
Int. Pete. (no par)	75c	1.92	39¾	36¾	39¼	37¼	12908	44	34½
McColl-Fron. (n.p.)	.	...	36	33½	33½	33⅞	10628	36	29⅛
Do., pref.	6	...	90	88	88¼	85¾	180	90	85
North Star, c. (p. $5)	.	...	3.10	3.10	3.10	2.75	100	3.10	2.50
Do. pref. (par $5)	7	...	..	...	...	...	...	6.50	5.00
Petrol Oil	.	...	17	16	16	18	5500	21⅞	15
Supertest Pet., c.	50+50c	1.12	88	85	88	85	10	96	70
Do. pref.	7	7.07	99	99	99	98	20	99	97
Venezuel. Pet., (p. $5)	20c	...	..	...	...	...	...	x7½	6½
Volcanic Oil	$1.40+5c	4.00	37	36	36½	37	30	37	27
Vacuum Gas	.	...	8½	6⅞	7	9	6200	12½	6⅞
Trojan	.	...	..	...	...	...	...	2.35	2.00
Trust and Loan—									
Canada Life	20	...	..	...	...	...	...	1000	990
Can. Permanent	12	4.89	250	240	245	240	23	250	230½
Col. Invest. (p. $10)	.	...	..	...	...	...	...	5	4
Econ. Invest. (p. $50)	4	3.57	56	56	56	58¾	101	59¾	56
Huron & Erie	8	4.84	..	...	...	...	...	167	152
Landed Banking	10	5.00	..	...	...	...	...	205	200
Mont. Loan (p. $25)	12+1	6.76	..	...	...	...	...	48	48
National Trust	12+1	3.82	..	...	...	...	...	340	305
Ont. Loan (p. $50)	12	4.68	..	...	...	...	...	128	128
Real Estate Loan	7	6.08	..	...	...	...	...	115	110
Toronto Gen. Trusts	12	4.00	300	300	300	300	20	300	275
Toronto Mge. (p. $50)	12	4.91	..	...	...	...	...	122	114
Union Trust	7+1	5.51	..	...	...	...	...	150	135
Toronto Gen., Rights	.	...	20	19½	19½	20	49	22	19½

CURB AND UNLISTED MARKETS

	Div. Rate	Yield Mar. 26	High for wk.	Low for wk.	Close Mar. 27	Close Mar. 20	Sales for wk.	Range, 1928 High	Range, 1928 Low
Asch, com. (no par)	.	...	..	...	...	...	...	30	24½
Do. pref.	.	...	91	91	91	92	20	93	90
Attendu Eng. (p. $1)	.	...	16	14	14	16	380	21	12
Belding, com.	6	6.85	..	...	...	...	...	95	80
Do. pref.	7	6.93	101	101	101	101	5	105	94
Can. Celanese (n.p.)	.	...	69½	63	67	63	1295	78	57⅞
Do. pref.	.	...	94	92	93	92	120	103½	90
Can. Dredge (n.p.)	.	...	40	32½	39⅞	34	2718	40	31
Do. pref.	.	...	122	113½	121	113½	761	115½	108
Can. Light & Power	.	...	40	40	40	40	25	49	40
Can. Marconi	.	...	7	6½	7	...	2800	7	6½
Can. Nor. P., c. (n.p.)	.	...	82	80	80	85	490	90	65
Do. pref.	7	6.66	105	105	105	104	10	105	100
Cockshutt, com.	.	...	..	...	...	...	...	22⅞	21⅞
Do. pref.	.	...	122	108	115¼	109	3134	143½	105¾
Cooksville Sh. Brick, c.	.	...	..	...	...	...	...	x14	10¾
Do. pref.	4	...	..	...	...	...	...	x55	50½
Dom. Engineering	$2.60	4.00	65¾	60	64½	60½	7351	65¾	52
Cons. Food Prod.	.	...	13	13	13	13½	500	14½	13
Dom. Fdy. & Steel, c.	.	...	..	...	...	...	...	5	5
Do. pref.	.	...	..	...	...	...	...	42	32
Dom. Power, com.	.	...	60	58	59	61	200	66	54
Do. pref.	7	6.66	105	105	105	...	5	105	105
Dryden Paper (n.p.)	.	...	43	41	41	42⅞	2925	46¼	33
E. Dairies, c. (n.p.)	.	...	55¼	50	55¼	51½	1225	55¼	50
Do. pref.	7	6.96	..	...	...	...	...	100½	99
Eng. Elec., c. (n.p.)	.	...	22	19	21	19	195	22	11
Do. pref.	.	...	102	98	101½	101	108	112	75
Farm. Dairy, c.	$1	4.76	21	20½	20½	20½	45	27	17
Do. pref.	7	6.54	107	107	107	105	3	110	105
For. Pr. Secs. (n.p.)	.	...	49⅞	46½	48½	47	3866	49⅞	38½
Gt. West Saddlery, c.	.	...	29½	23½	29	23½	11352	29½	23
Do. pref.	.	...	99¼	99	99⅛	99	788	99½	98
Hydro Electric	.	...	63	58	58½	65	1620	65	50
Illinois Power, pref.	7	6.76	104⅛	103½	103½	104	75	104⅛	99¼
Imp. Tob., c. (p. $5)	6+2	...	9	8⅝	9	9	13860	10¾	8⅛
Inter. Power, com.	.	...	42¾	40	40	42¾	445	43¼	37
Do. pref.	7	7.14	99	98	99	99	243	100	97
Kemsley Millburn	.	...	16½	16	16	16	225	17⅝	15⅝
Loew's London, com.	3	...	..	...	...	...	...	5¾	5¾
Man. Power (no par)	$2	1.65	123	120	120	121	2370	123½	85
Do. pref.	7	...	..	...	...	...	...	102½	99½
Mount Royal, com.	.	...	..	...	...	...	...	x6	3
Do. pref.	6	11.53	..	...	...	...	...	52	50
Municipal Ser. (n.p.)	.	...	9	9	9	9	424	15	8
North. Bak. (n.p.)	.	...	45	44	44½	45	3025	54	40
N.S. Car, c. (n.p.)	.	...	44	43	43	44	2206	49	39
Ott. Riv. Pr. (n.p.)	.	...	..	...	...	...	...	38	25
Paton Mfg., (n.p.)	.	...	68	68	68	67	75	68	55
Do. pref.	.	...	..	...	...	...	...	103	102
Perfection Glass	.	...	3½	3¼	3¼	3⅜	560	8¾	3
E. L. Ruddy, pref.	7	7.14	98	98	98	98	150	101	97½
Robinson Cone	.	...	31	30	31	30¼	1175	31	30
Service Stn. Equip.	$1.60	4.00	41	39	40	39	1387	48	35½
St. Maur. Power	4	2.18	183	183	183	188	1	194	170
Simpson, Robt., pref.	6	5.79	..	...	...	...	...	105	102½
St. Law. Pap., c. (n.p.)	.	...	108	103½	106	103½	1945	110	100
Do. pref.	8	6.40	125⅛	125⅛	125⅛	125⅛	10	125½	116
Standard Clay	.	...	..	...	...	...	...	34½	33
Tamblyn, c. (n.p.)	.	...	34½	25	33⅝	25¾	5316	34½	21
Do. pref.	7	7.21	97	96	96	95	381	97	90
United Secs., com.	.	...	50	50	50	50	20	64½	50
Do. pref.	6	5.76	105	104	104	105	120	105	100
Wolthausen (no par)	.	...	..	...	...	...	...	x25	20

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.
| Mitchell, J. S. | . | ... | 52 | 50 | 51 | 50 | 430 | 55 | 38 |

Flood Barnes Active Bond Prices

	Price	Rate	Years to Maturity	Next Int. Date	Yield %
Abitibi Pwr. & Paper Gen. 6's, due '40	106	6	12	July 2	5.30
Abitibi Pwr. & Paper, 6% notes, due '31	102	6	3	Sept. 15	5.25
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7s, due '47	101¼	7	19	July 15	6.87
Argentine Govt. 6's, Series "B", due '58	100¾	6	30	June 1	5.94
Asbestos Corp., 1st Ref., S.F. 6's, due '41	103½	6	13	July 1	5.59
Asbestos Corp. Gen. Mtge. S.F. 6's, due '56	100	6	28	July 1	6.00
Bell Tel. of Can. 1st 5's, Series "B", due '57	105¾	5	29	June 1	4.64
Brompton Pulp & Paper, 1st & ref. S.F. 6's, due '46	104	6	18	Mar. 1	5.65
Brazil, United States, Ext. S.F. 6½'s, due '57	98¼	6½	29	April 1	6.62
Canada Cement, 1st Mtge. S.F. 5½'s, due '47	103½	5½	19	May 1	5.26
Can. Nor. Power Coll. Trust 6½'s, due '41	103¾	6½	13	May 1	6.10
Can. Light & Pwr., 1st 5's, due '49	96¼	5	21	July 1	5.30
Canada Paper, 1st S.F. 6's, due 1945	103¾	6	17	June 4	5.65
Can. S. S. Lines, 6's 1st & gen., Series A, '41	104	6	13	April 15	5.53
Can. S. S. Lines Consol. 5's, due '43	102¾	5	15	Aug. 15	5.00
C. P. Rly Coll. Trust 5's, due '34	102	5	6	Apr. 15	4.60
C. P. Rly. Secured 4½% notes, due '44	100	4½	16	June 15	4.50
Can. Goodrich Income 7's, due '43	60	7	15		
Chile Republic Ext. S.F. 6's, due '60	95	6	32	April 1	6.35
Chile Republic Ext. S.F. 6's, due '61	95	6	33	Aug. 1	6.36
Dom. Iron & Steel 1st 5's, due '29	98½	5	1	July 1	
Dom. Iron & Steel Consol. S. F. 5's, due '39 (£)	72	5	11	Sept. 1	
Donnacona Paper Co. 1st S.F. 5½'s, due '48	100	5½	20	Aug. 1	5.50
Duke Price Power S.F. 6's, Series "A", due '66	106¾	6	32	May 1	5.55
Fraser Companies Debentures 6½'s, due '42	108½	6½	12	Apr. 1	5.60
French Line Ext. S.F. 6½'s, due 51	102	6½	23	Aug. 15	6.33
French National Mail S.S. Ext. S.F. 6's, due '52	98¾	6	24	May 1	6.10
Gen. Steel Wares, Ltd., 1st mtge. S.F. 6's, due '52	103	6	24	May 1	5.77
Gatineau Power, 1st 5's, due '56	101	5	28	June 1	4.93
Gatineau Power S.F. Debs. 6's, due '41	103¾	6	13	June 15	5.59
Hydro-Elec. B'd & Sh. Corp. Coll. Trust 5's, due '57	99	5	29	May 1	5.07
International Paper Ref. SF 6's, Series A, due '55	105	6	27	Sept. 1	5.63
Manitoba Power 1st S.F. 5½'s, due '51	104½	5½	23	July 1	5.15
Mtl. Coke & Mfg. 1st 5½'s, Series A, due '47	103	5½	19	June 1	5.25
Mtl. L.H.&P. 1st Ref. & Coll. Trust, 5's, Series A, due '51	103½	5	23	Apr. 1	4.75
Mtl Tram. 1st Coll. Trust 5s, Series A, due '41	102½	5	13	July 1	4.74
Mtl. Tram. Gen. & Ref. S.F. 5's, Series A, due '55	101½	5	27	Apr. 1	4.90
Nor. Ont. Lt. & Pwr. 1st. S.F. 6's, due '46	105	6	18	July 1	5.55
Nova Scotia Coal & Steel 1st S.F. 5's, due '59	76	5	31	July 1	
Northwestern Utilities, 1st S.F. 7's. due '38	104	7	10	June 1	6.45
Port Alfred Pulp & Paper 1st S.F. 5½'s, due '57	100	5½	29	May 1	5.50
Price Bros. 1st S.F. 6's, Series A, due '43	106¾	6	15	Aug. 1	5.35
St. Maurice Power 1st S.F. 6½'s, due '53	107½	6½	25	Sept. 1	Called
St. Law. Paper 1st S.F. 6's, Series A, due '46	104	6	18	July 2	5.65
St. Law. Paper S.F. 6½'s, due '36	102½	6½	8	Apr. 1	6.10
Southern Can. Pwr. 1st 5's, Series A, due '55	102½	5	27	May 1	4.85
United Securities Coll. Trust S. F. 5½'s, Series A, due '52	103¾	5½	24		5.23
Wayagamac Pulp & Paper 1st S.F. 6's, due '51	104½	6	23	July 1	5.85
Winnipeg, Electric Ref. 6's, due '54	105½	6	26	Apr. 2	5.60

Unlisted Stocks

These prices are mostly as at March 27, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	50.00	60.00
Border Cities, pfd. bonus, c.	....	39.00
Brandram Henderson, com.	22.00	24.00
Brandram Henderson, pref.	84.00	90.00
Brantford Roofing	97.00	....
Canada Machinery, com.	5.50	8.50
Canada Machinery, pref.	28.00	35.00
Can. Paperboard, pref.	....	94.00
Canadian Westinghouse	230.00	....
Caulfields Dairy com.	....	36.00
Copeland Flour Mills, pref.	20.00	25.00
Dom. Alloy pf. bonus com.	1.00	3.50
Dom. Foundries & Steel c.	5.00	8.00
Dom. Foundries & Steel, pf.	41.50	....
Dom. Linens, pref.	16.50	....
Dom. Manufacturers, com.	7.00	....
Dom. Manufacturers, pref.	70.00	....
Dom. Power, com.	58.00	62.00
Dom. Power, pref.	104.50	106.50
Dom. Sewer Pipe, com.	65.00	66.00
Dom. Sugar, com.	24.00	26.00
Dom. Sugar, pref.	94.50	....
Dunlop Tire, pref.	103.50	....
Durant of Canada	....	4.50
Gillett, E. W.	77.00	....
Goodyear Cotton, 7% pref.	101.00	103.50
Gosse Packing, com.	....	37.00
Gosse Packing, pref.	....	79.00
Greening Wire, pref.	97.00	99.00
Guardian Realty, pref.	60.00	65.00
Huethers Brewing, pref.	....	4.00
King Edward Hotel "A"	90.00	92.50
King Edward Hotel "B"	80.00	83.00
Kingston Ship-Building, pf.	18.00	....
Loew's Buffalo, pref.	27.00	33.00
Loew's London, com.	4.00	5.00
Loew's London, pref.	7.00	8.00
Loew's Mansfield, pref.	84.00	....
Milton Brick Co.	17.50	....
Palace Thea. (Mont.) pfd.	90.00	....
Simpson, Robt., pref.	103.50	....
Traymore, pref.	19.50	22.00

Insurance

	Bid	Asked
British America	45	..
Canadian Fire, full pd.	120	135
Canada Life	985	1025
Canada National	20	..
Casualty of Canada, full pd.	190	200
Capital Life, 20% pd.	26	..
Commonwealth Life, 10% pd.	32	36
Confederation life, 10% pd.	110	..
Continental Life, 10% pd.	75	..
Crown Life, full paid	335	..
Dom. of Can. Guar. & Ac.	350	..
Dominion Fire	125	..
Dominion Life, 50% pd.	450	..
Excelsior Life, 30% pd.	115	..
Federal Fire, 25% paid	42	..
Fidelity of Canada, full paid	145	155
Great West, full paid	540	560
Imperial Life, 90% paid	435	..
Manufacturers Life, 55% pd.	400	450
Monarch Life, 10% paid	47	51
Montreal Life, 20% paid	75	80
National Life, 25% paid	75	..
Ontario Equitable, 10% paid	37	40
Security Life, 50% paid	20	..
Sun Life, 75% paid	2000	..
Toronto Casualty	..	26
Western Assurance	76	..

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	$208.00	$ ....
CapitalTrust	71.00	....
Chartered Trust	100.00	105.00
Commercial Finance, com.	26.00	....
Commercial Finance, pfd.	78.00	84.00
Crown Trust	125.00	....
Debentures & Sec., com.	74.00	....
Debentures & Sec., pref.	74.00	....
Lambton Loan & Savings	79.50	....
London Loan & Savings	46.00	50.00
London & West Trusts	150.00	....
Mfg. Fin., pfd. bonus c.	6.20	7.50
Midland Loan & Savings	16.00	....
Mortgage Discount, pref.	6.75	7.75
Mortgage Discount, com.	.40	.80
Mutual Finance, com.	7.50	....
Mutual Finance, pref.	7.50	....
Peoples Loan & Savings	81.00	85.00
Saskatchewan Mortgage	39.50	....
Sterling Trust Co.	98.00	....
Toronto Finance, pref.	....	3.50
Waterloo Trust & Savings	115.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 25.00	$ 40.00
Lakeview Golf	45.00	70.00
Lambton Golf	440.00	480.00
Mississauga Golf	20.00	30.00
Rosedale Golf	155.00	....
Summit Golf	25.00	45.00
Thistledown Golf	....	65.00
Thornhill Golf	65.00	85.00
Toronto Winter Club	....	60.00
Weston Golf	75.00	95.00
York Downs Golf	225.00	260.00

Recent London Quotations

	Sales
Calgary Power	109
Hudson's Bay	95s.
Hudson's Bay, 5% pref.	100s.
Can. West Lumber	7s. 7½d.
Standard Chemical, 7%	22½
Dominion Tar	46s.
Mond Nickel	130s.
Lake Superior	9

Recent Vancouved Quotations

B. C. Telephone, pfd., new 6%	109½
Pacific Coyle, com.	10½b.
Gosse Packing, pref.	92

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	104	..
Home Inv. and S. Assn.	76	..
N. Mtge., fully paid	80	..
N. Mtge. 50% paid	25	25
Northern Trusts Co.	50	52
Standard Trusts Co.	33	..
No. Star Oil, com.	3.30	..
No. Star Oil, pref.	5.45	5.60

Unlisted Bonds

	Bid	Asked
Abitibi Fibre, 6s, 1947	101¼	102
Abitibi P. & P., 6s, 1940	105¼	106
Algoma Steel, 5s, 1962	60¼	62
Alberta Pac. Grain, 6s, 1946	102	102½
Bell Telephone, 5s, 1955	105	105½
Belgo Can. Paper, 6s, 1943	102¾	105
Brandram Henderson, 6s, 1939	90	93
B. C. Pulp and Paper, 6s, 1950	90½	92¼
Burns, P. & Co., 6½s, 1943	103	....
Calgary Brewery, 5s, 1942	97½	99
Calgary Power, 5s, 1940	94⅝	95½
Canada Biscuit, 6½s, 1946	..	101
Canada Lt. & Pr., 5s, 1949	94	95¼
Can. Nor. Power, 6s, 1941	103½	104½
Can. Paperboard, 7s, 1937	98½	100
Can. Steamships, 5s, 1943	102½	103
Can. Steamships, 6s, 1941	102½	103
Davies, Wm., 6s, 1942	96¼	98
Dominion Iron, 5s, 1939	65	70
Drummond Invest., 6½s, 1938	98	100
Duke Price, 6s, 1966	105¾	106⅞
East Kootenay Pr., 7s, 1942	104½	105½
Elec. Development 5s, 1933	101¼	102¾
Famous Players, 6½s, 1943	104	..
Fraser Cos., 6s, 1950	103¾	105½
Gatineau Power, 5s, 1956	100¼	100¾
Gatineau Power, 6s, 1941	102¼	103
Howard Smith P. & P. 6s, 1941	104½	105½
King Edward Hotel, 7s, 1944	97	99
Lake Superior P. & P. 6s, 1941	106⅛	108
Laurentian Pr. 6s, 1936	110	..
Laurentide Pr., 5½s, 1946	101	..
Manitoba Pr., 5½s, 1951	103	104
Mont. L. H. & Pr. 5s, 1951	102	103
Mont. Pub. Service, 5s, 1942	100¾	101½
Nor. Ont. L. & P. 6s, 1946	104	105
Nor. West Utilities, 7s, 1938	102	104
Nova Scotia Steel, 5s, 1959	72	75
Nova Scotia 6% Debs.	43	47
Nova Scotia Tram. 5s, 1946	102	105
Nova Scotia Tram. 7s, 1952	106	110
Ont. Pulp & Paper, 6s, 1948	108¾	110
Ottawa Hull Pr. 6s, 1948	104	105
Ottawa L. H. & P. 6s, 1953	105	106
Ottawa Mont. Pr. 6½s, 1949	104¾	106
Ottawa Trac. 5½s, 1955	101½	103
Ottawa River Pr. 6½s, 1953	104¼	105¼
Port Alfred P. & P. 5½s, 1957	99	..
Price Bros., 6s, 1943	105½	106½
Prov. Lt. Pr. 5s, 1946	101¾	103
Rio Tramways, 5s, 1935	98⅛	98⅝
Sao Paulo Tram. 5s, 1929	99¼	99⅝
St. Lawrence Paper, 6s, 1946	102¼	103
St. Maurice Valley, 6½s, 1957	99	100
St. Maurice Pr., 5½s, 1953	106½	108
Shawinigan W. & P. 4½s, 1967	97⅜	98¼
Simpson's, Ltd., 6½s, 1945	104¼	104½
Southern Can. Pr., 5s, 1955	101¼	102
Spanish River P. & P., 8s, 1941	105⅝	106½
West Kootenay Pr., 6s, 1943	104¼	105

NEW YORK CURB

	Close Mar. 14	Close Mar. 21	Close Mar. 28
Bunker Hill	154 3-4	...	...
Can. Marconi	6	6 5-8	7 7-8
Dom. Stores	114	118 1-2	116
Fanny Farmer	38	39 1-4	39
Ford Canada	570	600	580
Imp. Oil Can.	59	59	61 5-8
Inter. Petrol.	37	37 1-4	38 3-4
Int. Util. "A"	46 1-2	...	47 1-2
Do., "B"	7 3-8	7 3-4	8 7-8
Nipissing	5	4 7-8	4 3-4
Noranda	19 3-4	18 3-4	18
Premier Gold	2 3-4	2 3-4	2 3-4

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Operating Under Dominion Government Charter and Inspection
Comparative Statement showing the progress and development of the International Loan Co. from 1914 to 1927.

	1914	1923	1927
Subscribed Capital	132,200.00	4,052,600.00	4,710,100.00
Paid up Capital	50,744.00	518,663.00	709,625.00
Assets	65,215.00	561,110.00	849,145.00
Mortgages and Agreements	56,141.00	508,862.00	814,551.00
Surplus and Undivided Profits	10,881.00	40,409.00	128,758.00

In addition to thus rapidly increasing its assets, the Company has paid all its operating and organization expenses and a total of 69% in dividends.
INTERNATIONAL LOAN COMPANY
404 TRUST AND LOAN BUILDING, WINNIPEG, CANADA
GEO. W. ARGUE, Managing Director. H. F. M. ROSS, M.A., President. J. HORSINGTON, Secretary-Treasurer.

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TORONTO, 2—CANADA

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of March 28	106.4	103.3
Week of March 21	105.6	103.2
Month of March, 1927	84.3	80.2
9 Bank Stocks		
Week of March 28	$294	$290
Week of March 21	292	288
Month of March, 1927	241	238
10 Public Utilities		
Week of March 28	$119	$113
Week of March 21	118	113
Month of March, 1927	96	89

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	8	1	.	9
Paper	8	7	6	21
Steel	18	10	16	44
Foodstuffs	19	18	22	59
Utilities	8	11	13	32
Tractions	4	5	7	16
Textiles	4	6	9	19
Industrials	34	24	41	99
Total	103	82	114	299

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
Mar. 22	5-64	3-32	x1-32	1-64
Mar. 23	7-64	1-8	1-64	1-64
Mar. 24	1-8	1-8	1-64	1-32
Mar. 26	3-32	7-64	1-32	1-64
Mar. 27	3-32	7-64	1-16	1-32
Mar. 28	7-64	1-8	7-64	1-64

xPremium.

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
Mar. 22	4.86 5-8	3.93 3-8	5.28 1-4
Mar. 23	4.87 15-16	3.93 1-2	5.28 1-4
Mar. 24	4.87 7-8	3.93 1-2	5.28
Mar. 26	4.87 13-16	3.93 1-2	5.28 1-16
Mar. 27	4.87 13-16	3.93 7-16	5.28 1-16
Mar. 28	4.87 13-16	3.93 1-2	5.28 1-8

FOREIGN EXCHANGE

Par		Mar. 21	Mar. 28
13.90	Italian	5.28	5.28
23.82	German	23.90	23.90
19.30	Belgium	13.94	13.94
84.85	Japan	47.00	47.00

Bond Movements of the Week

Week Ending March 27

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, gen. mge.	6	1956	6.11	98	88	99¼	97¼	99	98	98½	98
Do. 1st Mtge.	6	1941	5.73	102⅝	99	103¼	102⅝	103	102⅝	102⅝	...
Can. Pr. & Pap. deb.	5	1956	5.06								
Cedar Rapids	5	1953	4.66	101⅞	96⅝	99¼	96	..	..	99	[illegible]
Dom. Iron	5	1929	7.18	93¾	69	105¼	105	..	..	..	..
Montreal Tram. 1st Mtge.	5	1941	4.87	101	96⅝	103¼	101	..	105	105	..
Do. "A"	5	1955	5.00	100	94¼	101	100	102¼	101	101¼	101
Wayagamack	6	1951	5.62	103½	97	104⅞	101	101	100½	100½	100
War Loan	5	1931	4.30	102.70	101.10	102.85	102.05	102.45	102.20	102.05	....
Do.	5	1937	4.20	106.75	102.95	106.70	105.35	106.20	106.15	106.15	....
Victory Loan	5½	1933	4.40	106.55	103.35	106.50	104.85	105.05	105.00	105.00	[illegible]
Do.	5½	1934	4.57	105.55	102.80	105.85	104.70	104.80	....	105.10	[illegible]
Do.	5½	1937	4.22	111.15	106.85	110.95	109.75	110.15	109.95	110.15	[illegible]
Do., Refund	5	1928	5.00	101.50	99.75	100.60	100.00	100.55	100.35	100.30	....
Do.	4½	1940	4.29	103.40	96.50	102.90	101.85	102.25	102.10	102.10	[illegible]
Do.	5	1943	4.45	106.40	102.30	106.10	105.05	106.05	105.80	105.95	[illegible]
Do.	4½	1944	4.30	103.00	96.90	103.05	102.40	102.75	102.45	102.50	[illegible]
Do.	4½	1946	4.27	102.70	96.70	103.15	102.55	103.05	102.80	....	....
Do., Renewal	5½	1932	4.55	104.10	101.85	105.85	103.55	103.95	103.90	104.05	[illegible]

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Featuring Trust and Loan Company Investments

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MARCH 30, 1928 10c. a Copy; $5.00 a Year No. 13

NARROWING PROFITS URGE TO MERGERS

Observers Forecast Further Tendency to Consolidation

GET TRUST CHARTERS

Another Tendency is for Loan Companies to Obtain Broader Powers of Business

Cheaper money in Canada and dear money abroad, combined with increasing costs of operation, have been largely responsible for the added impetus to the merging of Canadian loaning institutions or the extension of their power by way of trust company charters, as exemplified by the numerous changes in both directions which have taken place during the past year.

Narrow Profit Margin

Under all the circumstances, the strong trend towards merging or absorption of the weaker companies by the stronger institutions, is not at all surprising. At the present time it is difficult for loaning companies to borrow money on their debentures much under 5 to 5½ per cent.; and at prevailing mortgage loan rates, this means that a large proportion of the money thus secured must be re-loaned at less than one per cent. advance over borrowing rates.

For the larger institutions with their relatively smaller unit of overhead expense, the narrow spread between borrowing and loaning rates is not such a great hardship, as their huge volume of turnover permits a healthy profit even on a very low profit margin. But this does not apply to the smaller companies whose overhead unit is necessarily fairly high; and, unless where operating as a purely local concern, the expense of traveling valuators and loan commission is likely to make it difficult for them to operate on the present low margin provided by money rates. Hence the trend toward merging and reduction of overhead and operating expenses. Or, as one loan company executive puts it: "We simply must lower operating costs to the lowest possible amount if we want to continue in business at all with the present narrow spread between wholesale borrowing and retail loaning rates."

Merges in Night

This is also the main reason why some of Canada's old loan companies have recently expanded into trust companies, a notable case being the combining of the Grey and Bruce Loan Co. and the Owen Sound Loan and Savings Co. under a trust company charter. By reason of the added powers under their new charter this company can now handle estates; and, independent of the low margin on loans, show a profit by means of its estates operations. Other companies followed suit during 1927, with the net result that loan companies have decreased while trust companies increased in number. And this altogether besides the diminution in numbers of loan companies through the loan merger route, and the fact that some of the smaller companies have ceased to profitably exist and are at present in liquidation.

Taking everything into consideration, it would seem that the borrower of mortgage money stands to profit considerably from the distinct trend to merge on the part of Canadian loan companies. It is quite patent from the official government returns that the rates imposed by the money plentitude are much in favor of the mortgage borrower, to the extent that several of the smaller loan companies can more profitably continue as part of large institutions with the lower unit cost. Mergers have been particularly numerous in the past five years; and according to the opinion of many of the loan company executives, still more mergers are in sight. This will not greatly worry the users of mortgage funds, if it results in lowered costs to them and more money available over a wider area.

PLENTY OF MONEY FOR LOAN NEEDS NOW AVAILABLE

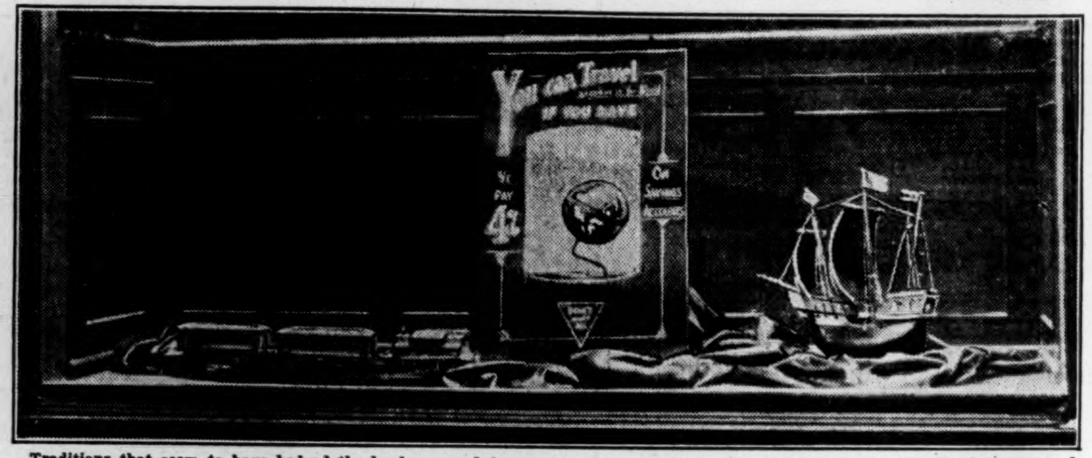
According to a prominent loan company executive, there is plenty of money available for both Eastern and Western farm loans.

"As a matter of fact," he said, "there never has been a time when there have not been ample funds available for all loans that could safely be made to farmers; and today this is trurer than ever before. Loan companies have been of real assistance to farmers all over Canada in the years gone by; and they can be depended upon to offer ample assistance to both rural and urban communities during the present year."

Ontario Farmers In Good Shape

It is pointed out, however, that the choicest farm loans do not usually come to loan or mortgage corporations in Ontario, due in large part to the splendid liquid position of many Ontario farmers, who are not only able to make a good living from their farms, but in many cases have put by a few thousands and so are actual investors as well as farmers. This type of well-to-do farmer is constantly on the lookout for good farm mortgages; and as he is a farmer himself and so conversant with land values and farming possibilities as well as in possession of a handy fund of information as to which of his neighbors are good or bad farmers, he is usually able to place his money to advantage in this way. Being right on the ground and fully conversant with conditions he can tell just how much is safe to loan.

TRUST COMPANY USES WINDOW DISPLAY TO BRING BUSINESS



Traditions that seem to have hedged the banks around for many years, preventing them from utilizing all effective means of publicity to bring business, have been cast aside by many of the trust companies. Illustration shows one of a series of effective window trims run by the Waterloo Trust and Savings Company at Kitchener. Emphasizing the travel feature of thrift, the window offers 4 per cent on savings.

Trust and Loan Company Shares Present Interesting Possibilities to All Classes of Investors

Profits That Have Accrued in Past Have Been Notable

SIGNAL ADVANCES

Record of Companies is One of Assured Advance, With Shareholders Earning Good, Safe Return

Several features of unusual attractiveness are to be found in Canadian trust and loan company shares, both for the occasional investor of a few hundred dollars and the man of means whose annual commitments run into many thousands of dollars. Not only do these securities offer a high degree of safety of principal as represented by solidarity of and increases in assets, but they also possess an enviable earnings record running back over the years; which means that investors of a few years standing are now receiving a very satisfactory dividend return on their money as well as a good original yield.

Added to this is the fact that these shares have shown a steady and substantial appreciation in value year by year; so that investors of even five years' standing have seen their original capital increased in many cases by at least fifty per cent., and all the while receiving a sound, safe income on securities of a gilt-edged variety.

A Case in Point

Take the case of the investor who has only a few hundred dollars a month to invest, or not more than three to four thousand dollars a twelvemonth. He will naturally want to secure the maximum yield consonant with safety of principal; and he will also want his capital to grow and expand while he is drawing a good income from it. Such an investor will find his requirements fulfilled by trust and loan company shares; and within their ranks he will find considerable price diversification so that he can pretty well pick and choose according to his own particular needs.

Five typical shares of this group are: Canada Permanent Mortgage, Toronto Mortgage, Huron & Erie loan, National Trust and Toronto General Trusts. Supposing a moderate investor had purchased five shares each of these companies around five years ago, just where would he stand to-day in relation to his investment?

Good Capital Gain

At the low prices obtaining in 1922, five shares each of these companies have cost the investor a total of $3,750; and at recent market prices these shares could have been sold at $5,385, which represents a gain of $1,635 on a total investment of $3,750 paid out for the twenty-five shares; an actual capital gain of more than 43 per cent. with gains of certain individual stocks somewhat higher. And in the interim a good income yield has been returned to the investor, and the safety of his security was never in question.

Actually, the investor in these twenty-five shares has been receiving better than 6 per cent. on his original investment right from the outset with the present return around 6¾ per cent. And when this is compared with the return on Victories and other gilt-edged debentures purchased five years ago, it will be seen that the trust and loan companies' shares offer a substantially higher yield. Though at the prices at which trust and loan company shares are selling to-day there is not such a great spread in yields on present prices between them and the highest-grade gilt-edged securities, through trust and loan yields are still somewhat higher.

Stability of Earnings

The present strong position into which trust and loan shares have worked themselves, is in large part due to the consistent and increasingly large earnings made by these companies over a long period of years. Twenty years ago earnings of these five typical companies were less than half the 1927 earnings. Year by year earnings have been consistently higher, with good profits even in lean years. In 1907 aggregate earnings of the five companies quoted above totalled $1,246,269. Fifteen years later these had grown to $2,192,174; while in 1927 total profits had further advanced to $2,598,676. And in the years between growth has been gradual, gains being steady and on a stable basis.

Assets Provide Protection

Growth in assets of trust and loan companies is another reason for their strong position. Six years ago assets of the five typical companies above described amounted to $288,024,047; at end of 1927 they had increased to $460,552,973, a gain of $172,528,348 or more than 60 per cent. And back in 1907 assets of same five companies totalled only $86,780,922.

Such an increase in assets means an additional value to the capital outstanding, which in the case of these five companies aggregates under $20,000,000 at the present time. And these large and gradually acquired assets are one of the reasons shares continue to sell at increasing premiums as the years go by.

Of course, another reason is the substantial dividends paid out of earnings from year to year. These earnings in turn are the backbone of the structure, as they not only have permitted of generous division of profits but also have built up reserves which are an additional asset of security for the shareholders.

A Sound Investment

Taken by and large, Canadian trust and loan company shares offer an attractive investment both for the man who is thinking chiefly of the safety of his funds and surety of steady income, and also for the investor who wants to see his capital while at the same time being sure of a steady income. The experience of investors in trust and loan securities fits both cases; for the proven income over a long period of years has been somewhat above the ordinary gilt-edged security yield. Appreciation in value of shares has at the same time been gratifying, in as brief a period as five years capital being increased in value more than 43 per cent. And this is before taking into consideration such additional benefits as the "rights" to the new Toronto General Trusts shares, which would bring increase in capital pretty well up to the fifty per cent. point in the short five years.

For steady and generous yield consistently throughout the years; for solidarity of security visualized by mighty assets; and for increase in value of capital invested through appreciation of securities—from all these standpoints trust and loan company shares offer many attractions to the careful and keen investor.

Market Record Listed Trust and Loan Stocks

	Par Value	Int. Rate	1926 High	1926 Low	1927 High	1927 Low	1928 High	1928 Low	Last Sale	Yield
Can. Permanent	100	12	218	202¼	235	216⅛	250	230½	250	4.80
Colonial Invest.	10		7	4	7	5	5	4	4	...
Huron & Erie	100	8	137½	127½	152⅛	139	167	152	167	4.78
Landed Banking	100	10	159	159	200	161	205	200	200	5.00
Montreal Loan	25	12+1	50⅛	50	52¾	47	48	48	48	6.76
National Trust	100	12+1	250	232	285	232	340	305	340	3.82
Ontario Loan	50	12	110	103½	120	111	128	128	128	4.68
Real Estate Loan	100	7	95	83	107	100	115	110	115	6.08
Toronto Gen. Trusts	100	12	225	220	272	220	300	275	300	4.00
Toronto Mortgage	50	12	100	93½	110	100	122	114	122	4.91
Union Trust	100	7+1	105	98	135	104	150	137	145	5.51

Canadian Trust Companies

Position and Record Analyzed by The Financial Post

ACADIA TRUST CO., TRURO, N.S.

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$1,521,354	$1,837,406
Company Funds—		
Capital	$200,000	$200,000
Reserves	300,000	400,000
Undiv. profits	85,900	24,704
	$585,900	$624,704

Officers—

Hon. J. Stanfield, pres.; A. R. Coffin, vice-pres.; F. Stanfield, M.L.A., chm. of executive; H. F. Bethel, mgr.

Directors—

F. L. Milner, K.C.; J. W. Macleod.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1922	$200,000	$27,727	13.8	..
1923	200,000	28,653	14.3	..
1924	200,000	31,738	15.8	..
1925	200,000	33,976	16.9	..
1926	200,000	35,424	17.7	..
1927	200,000	38,804	19.4	..

ADMINISTRATION AND TRUST CO. (Société d'Administration et de Fiducie) formerly THE GENERAL ADMINISTRATION SOCIETY (La Société d'Administration Générale)

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$21,186,317	$22,659,374
Company Funds—		
Capital	$250,000	$250,000
Reserves	101,700	103,662
Undiv. profits	81,639	104,428
	$433,339	$458,090

Officers—

Hon. Sir Hormisdas Laporte, pres.; C. Cahen d'Anvers, vice-pres.; J. Theo. Leclerc, gen. mgr.; J. C. Brosseau, sec.; C. E. Campiche, chief controller.

Directors—

Martial Chevalier, Tancrède Bienvenu, Hon. Rodolphe Lemieux, R. de Roumefort, Hon. N. Pérodeau, Hon. T. Chapais, Hon. L. A. David, Armand Chaput, Joseph Sirois.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$250,000	$33,839	13.5	8
1924	250,000	24,728	9.9	8
1925	250,000	37,002	14.8	8
1926	250,000	39,747	15.8	8
1927	250,000	42,790	17.0	8

BRITISH CANADIAN TRUST CO., LETHBRIDGE

Liabilities—	1926	1927
Guaranteed funds	$ 18,633	$ 30,296
Estates, Etc.—		
Estates	$132,964	$160,183
Company Funds—		
Capital	$49,050	$ 50,062
Reserves	9,500	9,500
Undiv. profits	1,499	917
	$ 60,049	$ 60,479

Officers—

G. H. Stacey, pres.; R. R. Davidson, vice-pres.; G. W. Parsons, sec.

Directors—

G. H. Stacey, R. R. Davidson, A. B. Hogg, Dr. W. S. Galbraith, J. D. Higinbotham, F. Horne, R. B. C. Thomson, W. S. Ball.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$45,903	$4,216	9.3	6+2
1924	46,786	4,443	9.6	6+2
1925	48,126	4,003	8.6	6+2
1926	49,050	4,215	8.7	6+2
1927	50,062	3,356	7.0	6+2

BRITISH MORTGAGE & TRUST CORP. OF ONTARIO, STRATFORD

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$1,795,882	$2,229,342
Savings deposits	1,584,692	1,798,473
	$3,380,574	$4,027,815
Estates, Etc.—		
Estates, Trusts and agencies	3,630	143,877
Company Funds—		
Capital	582,600	600,000
Reserves	650,000	685,000
Undiv. profits	26,776	39,659
	$1,259,376	$1,324,659

Officers—

Hon. N. Monteith, pres.; J. W. Brown, vice-pres.; W. H. Gregory, man. dir.; W. P. Bradshaw, asst. mgr.

Directors—

The above and J. W. Scott; D. A. Dempsey; T. Ballantyne; L. M. Johnston; W. H. Gregory.

Earnings Record—

Year	Paid-up Capital	Net Profits	Earned p.c.	Div. Rate
1923	500,000	88,854	17.7	12+2
1924	500,000	88,335	17.6	12+2
1925	568,900	92,755	18.5	12+2
1926	582,600	106,550	18.3	12+2
1927	600,000	111,847	18.6	12+2

CAN. GUARANTY TRUST CO., BRANDON

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$ 357,514	$ 308,666
Estates, Etc.—		
Estates, Trusts and agencies	$3,266,837	$3,297,660
Company Funds—		
Capital	$ 304,499	$ 315,238
Reserves	45,000	45,000
Undiv. profits	4,901	6,592
	$ 354,400	$ 366,830

Officers—

A. C. Fraser, pres.; Col. A. L. Young, vice-pres.; J. R. Little, man. dir.

Directors—

The above and W. Ferguson, H. L. Adolph, E. O. Chappell, J. S. Maxwell, G. S. Munro, A. E. Cameron, D. A. Reesor, A. Rose, C. E. Bothwell, R. T. Smith, J. R. Rankin, W. B. Beer.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1922	$270,045	$17,278	6.4	6
1923	272,151	5,189	2.0	.
1924	295,114	6,027	2.0	
1925	299,834	15,168	5.0	3
1926	304,499	12,805	4.2	3
1927	315,238	11,145	3.5	3

(Continued on page 17)

Canadian Mortgage Companies

Position and Record Analyzed by The Financial Post

BROCKVILLE LOAN & SAVINGS CO., BROCKVILLE

Assets—	1926	1927
Mortgages	$897,557	$1,134,589
Other loans	23,431	21,750
Securities	88,623	73,019
Real est. and prem.	11,991	18,724
Cash and other	52,712	2,697
Total	$1,074,315	$1,250,779
Liabilities—		
To the Public:		
Debentures	$93,765	$172,363
Saving deposits	406,803	496,744
Other	3,259	9,128
To Shareholders:		
Capital	350,000	350,000
Reserves	195,000	205,000
Undiv. profits	1,887	2,158
Total	$1,050,714	$1,235,393

Officers—

D. W. Downey, pres.; J. G. Gardner, vice-pres.; L. C. Dargavel, man.; M. R. McKay, sec.-treas.

Directors—

D. W. Downey, J. G. Gardner, A. Fullerton, C. S. Cossitt, F. H. Fulford, A. Gilmour, A. G. Parish.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div.
1922	$336,625	$35,195	10.7	7
1923	348,900	36,124	10.5	7
1924	350,000	37,236	10.6	7
1925	350,000	36,363	10.3	7
1926	350,000	38,865	11.0	7
1927	350,000	39,820	11.3	7

CANADA PERMANENT MORTGAGE CORP., TORONTO

Assets—	1926	1927
Mortgages	$42,950,547	$53,469,446
Other loans	91,364	119,787
Securities	4,127,552	4,364,636
Real est. and prem.	1,583,149	1,745,419
Cash and other	1,860,897	3,962,403
Total	$50,613,510	$63,661,691
Liabilities—		
To the Public:		
£ debentures	$13,672,620	$13,397,720
$ debentures	11,743,297	21,146,849
Savings deposits	9,398,690	13,149,623
Other	866,374	865,368
To Shareholders:		
Capital	7,000,000	7,000,000
Reserves	7,500,000	7,500,000
Undiv. profits	222,529	392,131
Total	$50,403,510	$63,451,691

Officers—

W. G. Gooderham, pres.; E. R. C. Clarkson, 1st vice-pres.; G. H. Smith, 2nd vice-pres. and gen. mgr.; W. F. Watkins, sec.; R. Henderson, inspector of branches; W. T. Creighton, supervisor of Western branches.

Directors—

W. G. Gooderham, E. R. C. Clarkson, G. H. Smith, Col. A. E. Gooderham, W. Mulock, K.C., F. G. Osler, Wm. Stone, G. W. Allan, K.C., A. B. Campbell, W.S., N. Mackenzie, K.C.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Divd.
1920	$6,000,000	$854,277	14.2	10
1921	7,000,000	896,366	*13.70	12
1922	7,000,000	903,019	12.90	12
1923	7,000,000	911,789	13.00	12
1924	7,000,000	922,683	13.17	12
1925	7,000,000	946,167	13.51	12
1926	7,000,000	967,724	13.81	12
1927	7,000,000	1,009,601	14.4	12

*$6,000,000 for the first six months and $7,000,000 for the second six months.

CAPITAL LOAN & MORTGAGE CORPORATION, WINNIPEG

Assets—	1926	1927
Mortgages	$765,941	$741,309
Other loans	287,874	331,350
Securities	224,443	234,460
Real est. and prem.	157,150	160,305
Cash and other	187,997	104,470
Total	$1,623,405	$1,571,895
Liabilities—		
To the Public:		
Debentures	$520,600	$393,273
Other	361,440	435,516
To Shareholders:		
Capital	500,000	500,000
Reserves	200,000	200,000
Undiv. profits	27,332	29,073
Total	$1,609,372	$1,557,862

Officers and Directors—

E. F. Hutchings, pres.; Sir H. J. Macdonald, vice-pres.; F. W. Leistikow, vice-pres.; J. A. Forlong, man. dir.; E. C. McMurray, asst. mgr.

CENTRAL CANADA LOAN & SAVINGS CO., TORONTO

Assets—	1926	1927
Mortgages	$1,140,468	$1,228,815
Other loans	803,310	1,313,304
Securities	5,674,612	6,569,124
Real est. and prem.	250,000	250,000
Cash and other	356,133	313,739
Total	$8,224,523	$9,674,983
Liabilities—		
To the Public:		
Debentures	$1,413,307	$2,016,285
Savings deposits	2,900,177	3,633,849
To Shareholders:		
Capital	1,750,000	1,750,000
Reserves	1,750,000	1,750,000
Undiv. profits	218,538	367,348
Total	$8,032,022	$9,517,482

Officers—

E. R. Wood, pres.; H. C. Cox, vice-pres.; G. A. Morrow, vice-pres. and man. dir.; A. B. Fisher, asst. mgr.; W. J. Hastie, sec.

Directors—

E. R. Wood, H. C. Cox, G. A. Morrow, L. McCarthy, K. C. R. Hall, W. G. Morrow, E. T. Malone, K.C., W. S. Hodgens, A. H. Cox, A. B. Fisher.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1920	$1,750,000	$206,787	12.1	10+3
1921	1,750,000	199,868	11.4	10
1922	1,750,000	199,177	11.4	10
1923	1,750,000	217,357	12.4	10+2
1924	1,750,000	237,213	13.5	11½+1½
1925	1,750,000	257,481	14.7	12+2
1926	1,750,000	386,478	22.0	12+8
1927	1,750,000	463,809	26.5	12+6

COLONIAL INVESTMENT & LOAN CO., TORONTO

Assets—	1926	1927
Mortgages	$869,968	$ 60,665
Securities	24,904	2,378
Real estate	252,301	210,473
Cash and other	307,152	329,758
Total	$671,326	$602,758
Liabilities—		
To the Public—		
Loans (secured)	$ 52,238	$ 25,204
Other	2,083	3,502
To Shareholders—		
Capital	$345,887	$344,885
Reserves	215,492	185,492
Undiv. profits	6,538	6,570
Total	$622,238	$565,653

Officers—

A. J. Jackson, pres. and gen. mgr.; A. C. McMaster, K.C.; C. P. Smith and E. J. B. Duncan, vice-pres's.; H. Goodings, sec.

Directors—

Same as the above.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$648,330	$12,285	2.0	6
1924	648,535	31,441	5.0	6
1925	345,652	20,044	5.8	6
1926	345,887	x4,268	..	6
1927	344,885	9,646	2.9	.

x Net loss.

CREDIT FONCIER FRANCO-CANADIEN MONTREAL

Assets—	1926	1927
Mortgages	$33,313,843	$35,878,134
Other loans	4,075,614	5,640,729
Securities	7,444,962	6,088,927
Real est. and prem.	1,745,006	1,813,167
Cash and other	5,024,315	2,764,443
Total	$51,603,740	$52,185,400

Officers—

Vicomte Roger de Roumefort, gen. mgr.; J. Théodore Leclerc, mgr.; Marcel Pasquin, mgr.; Armand Chevalier, gen. sec., Montreal.

Directors—

J. E. Moret, pres., Paris; Hon. Sir H. Laporte, vice-pres., Montreal; A. Bénac, Paris; T. Bienvenu, Montreal; Ch. Cahen d'Anvers, le Comte de Camondo, Martial Chevalier, A. Denfert-Rochereau, Paris; Hon. Sir L. Gouin, Montreal; R. Masson, Paris; F. Perry, Montreal.

CROWN SAVINGS & LOAN CO., PETROLEA

Assets—	1926	1927
Mortgages	$627,010	$652,503
Other loans	3,080	2,338
Securities	71,666	52,520
Real estate & prem.	22,200	21,278
Cash and other	44,638	49,494
Total	$768,594	$778,134
Liabilities—		
To the Public:		
Debentures	$281,794	$290,693
Savings deposits	105,828	101,549
Other	7,281	7,362
To Shareholders:		
Capital	241,050	241,050
Reserves	120,000	124,000
Undiv. profits	4,806	5,645
Total	$760,759	$770,299

Officers—

A. B. Elliott, pres.; Dr. F. W. Mulligan, vice-pres.; W. Mackay, vice-pres.; C. Egan, mgr.

Directors—

The above, and J. E. Armstrong, T. Simpson, W. B. Smith.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1922	$241,050	$21,320	8.8	6+½
1923	241,050	20,299	8.4	6+½
1924	241,050	20,583	8.5	6+½
1925	241,050	19,327	8.0	6+½
1926	241,050	21,034	8.7	6+½
1927	241,050	21,082	8.7	6+½

DEBENTURE CO. OF CANADA, REGINA, SASK.

Assets—	1926	1927
Tax sale certificates	$313,242	$358,823
Real estate & prem.	15,912	11,931
Cash and other	146,650	193,577
Total	$475,804	$564,332
Liabilities—		
To Shareholders:		
Capital	$354,250	$403,348
Reserves	89,249	120,923
Undiv. profits	530	1,827
Total	$444,029	$526,098

Officers—

A. B. McGill, pres. and man. dir.; Hon. J. F. Johnston, vice-pres.

Directors—

The above and G. M. Brown, R. J. Brandon.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$186,585	$15,890	9.8	10
1924	223,658	24,743	12.3	10
1925	279,681	28,058	11.4	10
1926	354,250	33,768	10.6	10
1927	403,348	43,876	11.5	10

EASTERN CANADA SAVINGS & LOAN CO., HALIFAX

Assets—	1926	1927
Mortgages	$2,598,947	$2,803,101
Other loans	70,000	110,000
Securities	29,859	......
Real est. and prem.	116,724	128,879
Cash and other	45,159	80,658
Total	$2,860,689	$3,122,638
Liabilities—		
To the Public:		
Debentures	$1,518,283	$1,748,178
Savings deposits	241,647	257,889
To Shareholders:		
Capital	750,000	750,000
Reserves	310,000	325,000
Contingent	35,757	36,000
Total	$2,855,687	$3,117,067

Officers—

Hon. W. A. Black, P.C., pres.; G. E. Faulkner, vice-pres.; J. A Clark, mgr.; G. W. Harzen, asst. mgr.

Directors—

The above and O. E. Smith, J. A. Clark A. E. Silver, K.C.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1921	$749,840	$65,856	9.2	8
1922	750,000	64,000	8.5	8
1923	750,000	64,000	8.5	8
1924	750,000	65,222	8.7	8
1925	750,000	75,000	10.0	8
1926	750,000	71,035	9.4	8
1927	750,000	75,242	10.0	8

*Less amount written off.

EAST LAMBTON FARMERS LOAN & SAVINGS CO., FOREST, ONT.

Assets—	1926	1927
Mortgages	$389,746	$424,872
Other loans	10,857	8,959
Securities	322,156	367,652
Real estate & prem.	3,800	3,000
Cash and other	3,207	2,361
Total	$729,766	[illegible]
Liabilities—		
To the Public:		
Debentures	$236,571	$281,107
Savings deposits	167,016	167,452
To Shareholders:		
Capital	$227,150	$244,800
Reserves	92,194	100,000
Undiv. profits	......	823
Total	$722,931	$794,182

Officers—

D. Weir, pres.; P. Cairns, vice-pres.; D. Whyte, mgr.

Directors—

D. Weir, P. Cairns, W. N. Ironside, J. McE. Shaw, J. N. Douglas, R. S. Jardine, G. L. Bailey, C. A. Douglas.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$227,150	$17,002	7.7	6
1924	227,150	17,709	8.0	6
1925	227,150	17,575	7.7	6
1926	227,150	20,389	8.9	6
1927	244,800	28,599	11.7	6

EMPIRE LOAN COMPANY, WINNIPEG

Assets—	1926	1927
Mortgages	$503,998	$530,768
Real estate & prem.	180,132	147,811
Cash and other	2,858	4,499
Total	$686,988	$683,078
Liabilities—		
To the Public:		
Debentures	$42,853	$36,942
Other	2,152	3,523
To Shareholders:		
Capital	$638,376	$638,386
Reserves	3,375	4,226
Total	$686,756	$683,078

Officers—

C. M. Simpson, pres.; W. Brydon, vice-pres.; S. T. Jones, sec.-treas.

Directors—

The above and J. Douglass, R. McKenzie, T. R. Slagsvol, W. F. Hull.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$638,055	$16,235	2.5	.
1924	638,376	15,600	2.4	.
1925	638,376	8,601	1.3	.
1926	638,376	7,300	1.1	.
1927	638,386	7,725	1.2	.

(Continued on page 16)

Loaning Companies Now Seek at Home Mortgage Money

British Sources of Money Rapidly Dry Up and It Is Possible to Raise Money More Cheaply From Among Canadian Investors

YEAR MAY SEE MANY CONNECTIONS SEVERED

Canadian loan and mortgage companies are consummating what is tantamount to a complete and revolutionary reversal of the situation, as regards the borrowing of the great mass of funds loaned by them to develop both urban and rural Canada. For nearly half a century the very backbone of these funds has been the Scottish and English market, successfully tapped through the medium of Canadian sterling debentures of low-yield fixed-term maturities. The commencement of the World war naturally stopped further loans of this or any other nature; attempts to revive an after-war movement have been only partially successful; there has been a gradual tapering-off in Old Country investments of this sort, the decline in the last dozen years being nearly 40 per cent. of the previous total outstanding. This year will probably see repayment of many of the sterling debentures remaining both at spring term and fall term dates which are May 15 and November 15 respectively; and at the end of the present year Scottish and English investments in Canadian loan and mortgage debentures will likely be reduced to a mere handful of millions.

Money Costs Responsible

The reason for this is not hard to find; dear money in the Old Land and comparatively cheap and plentiful supply of Canadian and American money. On even the very best gilt-edged securities, the canny Scot is now demanding at least 5 per cent. interest, using the British War Loan as his measuring stick; and on other quite good gilt-edged securities he can actually get 6 per cent. or better. In face of this, it cannot be expected that the Old Country investor will be satisfied any longer with the 4½ to 4¾ rate compatible with the prices obtainable in Canada; and hence the national instinct to invest at home to the extent that is possible is further augmented by the financial benefits derivable.

The truth of the matter is, Canadian loan and mortgage companies will not be altogether sorry to see sterling debentures replaced by Canadian funds loaned at the prevailing rates; because it has cost them a pretty penny these last few years for their British funds. For the first half dozen years after the close of war, Canadian companies were more or less content to subscribe to the higher interest rate demanded in the Old Land for the sake of maintaining valuable financial connections carefully developed through more than a quarter of a century; and as long as there was a reasonable hope that cheap money might still return to the Old Land, loan and mortgage companies still held on, adjusting their interest rates to meet competitive conditions on "term" dates, though not seeking to place new funds through this expensive avenue of financing. But now a decade has elapsed, and cheap money is farther off the horizon than ten years ago. Consequently, with a plenitude of Canadian money, the loss of Scotch and English debenture funds will be easily condoned.

Canada to the Fore

Analysis of the progress of loan company debenture funds during the past forty years, affords some interesting comparisons and sheds some interesting light upon the trend toward Canadian financial housekeeping being done right at home. Back in 1890 loan companies registered in Ontario borrowed more than five times as much money abroad as in Canada, the comparative figures being $38,435,990 abroad and $7,654,504 in Canada. Twenty years later foreign borrowings were only two and a half times, the amount secured abroad, standing at $52,580,415 against $22,529,200 in Canada. In 1914 the high point in loan company borrowings abroad was reached at $77,465,323 or more than three times the Canadian figures of $24,726,475. In the ensuing six years, borrowings abroad declined nearly fourteen millions to $63,562,024, and Canadian debentures advanced nearly four millions to $28,543,520. But in the past seven years has come the big change, and a complete reversal in the situation with debentures payable in Canada more than doubled to $61,467,967, while debentures payable abroad have dropped more than eighteen millions to $44,931,885.

This is perhaps better shown by the following table:

Comparison of Loan Co. Borrowings Here and Abroad

	Debs. pay. in Canada	Debs. pay. elsewhere
1890	$ 7,654,504	$38,435,990
1900	16,369,192	35,176,366
1910	22,529,200	52,580,415
1914	24,726,475	77,465,323
1920	28,543,520	63,562,024
1927	61,467,967	44,931,885

And this is not all of the story; during the same brief thirty-seven years Ontario loan corporations have practically doubled funds received on deposit, the increase being from $17,103,403 in 1890 to $36,777,538 in 1927. And this in itself is of the utmost importance and significance. Of importance, as denoting the increasing cash surplus position of Canadians; and of particular significance, as indicating one of the chief reasons for the huge increase in Canadian investment in loan company debentures. For the deposit system of such institutions is itself one of the big sources of funds for investment in debentures, as investment of accumulated savings is but a logical development and a single easy step for the depositor to take.

The growth of Ontario loan corporation deposits is shown by the following table:

Ont. Loan Co. Deposits	
1890	$17,103,403
1900	18,896,577
1910	19,827,879
1914	22,391,062
1920	29,476,221
1927	36,777,538

As stated in the first part of this article, the present year will likely see substantial changes in the methods of loan companies raising debenture funds for development of Canada; and it is to be feared that many an Old Country financial connection, cultivated through many decades, will likely suffer severance, their places being taken by Canadian investors who now have the money, and abundant confidence in the excellent investments that lie right at their doorsteps.

Ontario Companies Pass Billion Mark

For the first time in their history, estates, trusts and agency funds in the hands of trust companies registered in Ontario, have passed the billion dollar mark. At close of 1927 they totaled $1,040,626,526 compared with $934,025,532, at end of previous year, a gain of $106,600,994, or nearly 11½ per cent.

In the same period guaranteed trust funds increased more than 45 per cent., up from $74,939,830 at close of 1926 to $109,248,026 at close of 1927, a gain of $34,307,196.

COMPANIES LOAN LARGER AMOUNTS IN BORDER CITIES

Are More Free With Funds in Progressive Windsor

Western Ontario municipalities will receive generous treatment this year from Ontario loan and mortgage companies, according to a prominent loan company executive. Owing to the unsettled condition obtaining in the Border Cities two years or more ago, loans were necessarily curtailed, with a resultant effect upon building. But now that a good measure of prosperity has set in, it is regarded likely that there will be little short of a boom in building to supply the increased industrial needs of the communities lying along the Detroit River and the lower reaches of Lake St. Clair.

Situation at Border

Despite quieter home building conditions during last year, the more outlying municipalities proceeded actively with their local improvement programs; so that many new streets recently paved, sewered and watered are now ready for building development. The International Bridge has had a real effect upon Sandwich and the western municipalities of this group; and in Sandwich the oldest of the municipalities in the Border Cities group, there appears to be little difficulty in securing ample mortgage money at reasonable rates. Building activity out toward Ojibway is also mooted; but this will depend upon the scale of operations of the Canadian Steel Corporation.

As concerns the eastern municipalities of Walkerville, Ford City and Riverside, an active building program is stated to be planned by the building fraternity; and so far applications for loans in the improved sections of these municipalities have been well received. Of course, Walkerville is still somewhat of a self-contained unit in this respect; but a good deal of outside money is represented here. Renewals on business blocks and apartment houses are stated to be satisfactory with advances in some cases slightly higher than original loans.

As regards Ford and Riverside, mortgage loans for these municipalities are expected to be on a substantial basis, and will be liberally made upon improved property where local improvements have been completed. Tecumseh's requirements are likely to be more than double a year ago, owing to the spread of waterfront population in this direction; and for this old municipality, plenty of building funds are stated to be more available.

General Administration Has Altered Its Name

From Our Own Correspondent

MONTREAL.—The General Administration Society has changed its corporate name to the Administration and Trust Company. The change in name in no way implies a change in the management of the organization nor in the services rendered the public. The new name has been chosen as it expresses better the varied activities of the company. The former name was sometimes misconstrued to mean a specialized service, particularly in Western Canada, where the company has been steadily increasing its agencies.

Canadian Mortgage Companies

(Continued from page 15)

GUELPH AND ONTARIO INVESTMENT AND SAVINGS SOCIETY, GUELPH

	1926	1927
Assets—		
Mortgages	$3,381,464	$3,628,656
Other loans	32,281	39,421
Securities	801,330	682,259
Real estate & prem.	131,303	143,445
Cash and other	353,439	404,796
Total	$4,699,818	$4,898,577
Liabilities—		
To the Public:		
£ debentures	$116,940	$ 81,171
$ debentures	1,787,480	1,954,499
Savings deposits	875,905	941,559
Other	2,363	3,880
To Shareholders:		
Capital	965,080	965,080
Reserves	869,435	869,435
Undiv. profits	19,011	19,349
Total	$4,636,214	$4,834,973

Officers—

G. D. Forbes, pres.; T. A. Keatinge, 1st vice-pres.; W. E. Phin, 2nd vice-pres.; J. M. Purcell, man. dir.

Directors—

The above and J. E. McElderry, J. R. Phin, J. R. Howitt, J. J. Shaw.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$964,840	$117,663	12.4	10
1921	965,080	124,953	13.0	10
1922	965,080	107,058	11.0	9
1923	965,080	91,538	9.5	8
1924	965,080	95,800	9.9	8
1925	965,080	94,694	9.8	8
1926	965,080	96,362	10.0	8
1927	965,080	102,544	10.6	8

HOME INVESTMENT AND SAVINGS ASSN., WINNIPEG, MAN.

	1926	1927
Assets—		
Mortgages	$1,481,278	$1,593,578
Securities	98,354	155,340
Real estate & prem.	471,362	425,873
Cash and other	79,572	44,178
Total	$2,130,566	$2,218,969
Liabilities—		
To the Public:		
Debentures	$212,885	$244,179
Savings deposits	294,905	319,166
Other	7,335	46,075
To Shareholders:		
Capital	$992,773	$ 992,793
Reserves	600,000	590,000
Undiv. profits	22,668	16,827
Total	$2,130,566	$2,209,040

Officers—

M. Bull, pres.; W. H. Cross, vice-pres.

Directors—

The above and G. W. Allan, K.C., J. L. Bathgate, R. J. Gourley, W. A. Matheson, M. F. Christie, E. H. Bennest.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$992,721	$72,018	7.2	8
1924	992,763	53,832	5.4	6
1925	992,772	59,669	6.0	.
1926	992,772	63,954	6.4	.
1927	992,793	64,516	6.5	4

HUDSON BAY MORTGAGE CORP., VANCOUVER, B.C.

	1926	1927
Assets—		
Mortgages	$ 90,151	$ 92,168
Real estate & prem.	12,737	11,989
Cash and other	6,943	6,638
Total	$109,831	$110,795
Liabilities—		
To Shareholders:		
Capital	$102,720	$102,720
Reserves	1,845	2,282
Undiv. profits	3,873	4,399
Total	$108,438	$109,401

Officers—

J. R. Seymour, pres.; A. Gonnason, vice-pres.; S. B. Smith, sec.-treas.

Directors—

The above and T. S. Annadale, Nels Nelson, New Westminster; R. Dowswell, Victoria; D. Robertson, G. E. Trorey, Vancouver.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1924	$102,720	$ 3,131	..	3.0
1925	102,720	4,189	..	4.0
1926	102,720	3,873	..	3.7
1927	102,720	4,879	7	4.7

HURON AND ERIE MORTGAGE CORP., LONDON, ONT.

	1926	1927
Assets—		
Mortgages	$31,512,105	$35,080,098
Securities	3,785,944	3,444,392
Real estate & prem.	1,086,170	1,066,583
Cash and other	3,174,144	2,422,505
Total	$39,558,363	$42,013,578
Liabilities—		
To the Public:		
£ debentures	$2,735,955	$2,100,369
$ debentures	19,931,965	21,776,319
Savings deposits	8,965,950	9,851,657
Other	372,786	622,025
To Shareholders:		
Capital	$5,000,000	$5,000,000
Reserves	2,350,000	2,500,000
Undiv. profits	89,206	75,707
Total	$39,445,862	$41,926,077

Officers—

T. G. Meredith, K.C., chairman of board; Hume Cronyn, pres.; A. H. M. Graydon, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern, sec.; C. J. Clarke, treas., H. W. Givins, supt. of western branches.

Directors—

The above and G. H. Belton, H. E. Gates, N. R. Howden, Col. I. Leonard, Maj.-Gen. Hon. S. C. Mewburn, C.M.G., P. Pocock.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$5,000,000	$505,943	10.1	6+1
1921	5,000,000	531,444	10.6	6+1
1922	5,000,000	521,482	10.4	7
1923	5,000,000	500,458	10.0	7
1924	5,000,000	501,237	10.0	7½
1925	5,000,000	497,747	9.9	7½
1926	5,000,000	513,441	10.2	7½
1927	5,000,000	486,502	9.7	7

* Taxes and amount written off premises deducted.

INTERNATIONAL LOAN CO. WINNIPEG

	1926	1927
Assets—		
Mortgages	$709,537	$814,551
Other loans	2,194	......
Real est. and prem.	43,394	30,177
Cash and other	4,334	4,417
Total	$759,460	$849,145
Liabilities—		
To Shareholders:		
Capital	$653,661	$709,625
Reserves*	103,512	128,758
Total	$757,173	$838,383

*Includes undivided profit.

Officers—

H. M. Ross, pres.; A. Wishart, vice-pres.; G. W. Argue, man. dir.; J. Horsington, sec.-treas.

Directors—

G. W. Argue, H. F. M. Ross, J. E. Burns, J. Hall, J. G. Schill, B. McK. Gunn, J. H. Campbell, J. B. Welier, W. W. Pirt, A. Wishart.

Earnings Record—

The company's financial statement does not show the profit and loss account.

INDUSTRIAL MORTGAGE AND SAVINGS CO., LTD., SARNIA, ONT.

	1926	1927
Assets—		
Mortgages	$2,453,782	$2,593,464
Other loans	50,866	23,101
Securities	808,990	958,989
Real estate & prem.	82,428	79,977
Cash and other	166,359	146,587
Total	$3,562,425	$3,802,118
Liabilities—		
To the Public:		
Debentures	$1,331,534	$1,569,013
Savings deposits	1,031,386	1,018,619
To Shareholders:		
Capital	635,000	635,000
Reserves	529,000	544,500
Undiv. profits	580	60
Total	$3,527,500	$3,767,192

Officers—

W. T. Goodison, pres.; M. McGugan, 1st vice-pres.; J. McFarlane, 2nd vice-pres.; W. R. Paul, man. dir.

Directors—

The above and Wm. G. Hall, B. Stephens, W. J. Skinner, J. H. Anderson, Thos. Paul, J. Cowan.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$635,000	$ 78,757	12.5	9
1924	635,000	75,131	11.8	9
1925	635,000	76,088	11.9	9
1926	635,000	78,746	12.4	9+1
1927	635,000	78,479	12.3	9+1

INVESTMENT CORP. OF CANADA, LONDON, ENG.

	1926	1927
Assets—		
Mortgages	£340,589	£278,293
Securities	225,452	255,519
Real estate and prem.	202,009	233,325
Cash and other	23,959	16,644
Total	£792,009	£779,781
Liabilities—		
To the Public—		
Debenture stock	£233,519	£227,820
Other	5,266	8,793
To Shareholders—		
Capital	£500,000	£500,000
Reserves	36,811	36,811
Undiv. profits	3,126	2,860
Total	£778,722	£776,284

Officers—

Sir C. E. Hambro, K.B.E., chm.; Oldfield, Kirby & Gardner, Can. mgrs., Winnipeg; F. Burnett-Stuart, sec., London. Board of advice in Canada: G. Munro, Hon. R. Rogers, A. L. Crossin, Winnipeg.

Directors—

Sir C. E. Hambro, H. Allan, Lord Clinton, Major R. W. Cooper, M.C., Capt. A. V. Hambro.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1925	£500,000	£6,608	1.3	4½
1926	500,000	17,652	3.5	4½
1927	500,000	17,848	3.5	4½

LA COMPAGNIE FONCIERE DE MANITOBA, LTD., WINNIPEG

	1926	1927
Assets—		
Mortgages	$352,234	$352,565
Securities	29,537	26,754
Real estate and prem.	495,884	459,737
Cash and other	34,714	32,434
Total	$912,369	$871,490
Liabilities—		
To the Public—		
Debentures	$117,172	$114,250
Savings deposits	35,850	50,404
Other	163,153	111,908
To Shareholders—		
Capital	$544,425	$548,700
Reserves	25,188	26,139
Undiv. profits	5,084	5,232
Total	$890,872	$856,633

Officers—

M. J. A. M. De La Giclais, pres.; H. Chevrier, vice-pres.; A. Griveau, sec.

Directors—

All of the above and W. H. Cross, Winnipeg; L. De Galembert, Marquis De Polignac, C. H. Bethmont, Henri Motte, France; B. E. Chaffey, F. T. Griffin, Winnipeg.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1924	$400,050	$9,083	2.2	2
1925	400,051	8,297	2.0	2
1926	544,425	13,301	2.8	3
1927	548,700	17,495	3.2	3

* Less directors' remuneration.

LANDED BANKING AND LOAN CO., HAMILTON

	1926	1927
Assets—		
Mortgages	$3,213,697	$3,420,566
Other loans	85,541	45,486
Securities	447,128	466,824
Real est. and prem.	230,970	289,952
Cash and other	113,292	120,381
Total	$4,090,628	$4,343,209
Liabilities—		
To the Public:		
£ debentures	$ 355,802	$ 349,670
$ debentures	416,057	480,468
Savings deposits	1,078,775	1,280,103
Other	18,497	17,949
To Shareholders:		
Capital	$1,000,000	$1,000,000
Res. and Conting.	1,150,000	1,165,000
Undiv. profits	21,499	25,019
Total	$4,040,680	$4,318,209

Officers—

C. S. Scott, pres.; P. J. Myler, vice-pres.; H. M. Patterson, mgr.

Directors—

C. S. Scott, P. J. Myler, A. V. Young, C. Mills, R. R. Bruce, Hon. G. Lynch-Staunton.

Earnings Record—

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1922	$1,000,000	$126,478	12.6	8+1
1923	1,000,000	116,840	11.6	8+1
1924	1,000,000	131,180	13.1	8+1
1925	1,000,000	119,880	11.9	8
1926	1,000,000	129,066	12.9	9+1
1927	1,000,000	118,520	11.8	10

* Taxes deducted.

LAMBTON LOAN AND INVESTMENT CO. SARNIA, ONT.

	1926	1927
Assets—		
Mortgages	$3,936,434	$4,122,184
Other loans	......	35,536
Securities	530,846	518,555
Real estate and prem.	......	102,596
Cash and other	136,185	47,565
Total	$4,603,465	$4,826,436
Liabilities—		
To the Public—		
Debentures	$1,336,938	$1,628,128
Savings deposits	1,335,244	1,359,035
Other	96,171	29,620
To Shareholders—		
Capital	$ 789,750	$ 789,750
Reserves	930,000	940,000
Undiv. profits	20,399	24,620
Total	$4,508,502	$4,771,153

Officers—

Norman S. Gurd, pres.; Col. R. MacKenzie, vice-pres.; J. M. Hunt, mgr.

Directors—

N. S. Gurd, Col. R. MacKenzie, J. Smith, C. H. Belton, A. J. Johnston, of Sarnia; J. D. Livingston, Forest; J. Fraser, K.C., Wallaceburg; A. G. Minielly, Watford.

Earnings Record—

		Rate of Earnings		
Year	Paid-up Capital	Profits	Earned %	Div.
1922	$789,750	$103,556	13.2	10
1923	789,750	111,755	14.1	10
1924	789,750	107,250	13.7	10+2
1925	789,750	109,222	13.8	10+2
1926	789,750	102,584	13.0	10+2
1927	789,750	108,990	13.8	10+2

THE LONDON LOAN AND SAVINGS CO. OF CANADA, LONDON, ONT.

	1926	1927
Assets—		
Mortgages	$1,702,539	$1,802,641
Other loans	10,368	8,930
Securities	707,855	785,653
Real estate & prem.	519,749	378,537
Cash and other	66,037	70,552
Total	$3,006,549	$3,046,313
Liabilities—		
To the Public:		
Debentures	$974,812	$978,364
Savings deposits	606,481	660,163
Other	84,442	57,886
To Shareholders:		
Capital	891,571	892,536
Reserves	440,000	450,000
Undiv. profits	9,243	7,364
Total	$3,006,549	$3,046,313

Officers—

G. C. McCormick, pres.; T. Baker, 1st vice-pres.; W. E. Robinson, 2nd vice-pres.; J. H. Hambly, mgr.

Directors—

The above and C. R. Hunt.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$891,383	$ 81,125	9.2	7
1921	891,444	73,191	8.2	7
1922	891,539	74,068	8.3	7
1923	891,539	71,349	8.0	7
1924	891,571	72,626	8.1	7
1925	891,571	x66,611	7.4	7
1926	891,571	x53,655	6.0	7
1927	892,536	x60,591	6.7	7

xTax reserve deducted.

MIDLAND LOAN AND SAVINGS CO., PORT HOPE

	1926	1927
Assets—		
Mortgages	$1,927,435	$2,129,532
Other loans	1,713	778
Securities	334,180	380,321
Real estate & prem.	5,000	5,000
Cash and other	161,379	152,214
Total	$2,429,708	$2,667,845
Liabilities—		
To the Public:		
Debentures	$1,267,538	$1,446,285
Savings deposits	341,473	376,521
To Shareholders:		
Capital	360,000	360,000
Reserve	420,000	435,000
Undiv. profits	16,664	21,739
Total	$2,405,675	$2,639,545

Officers—

T. Wickett, pres.; S. R. Caldwell, vice-pres.; W. J. Helm, mgr.

Directors—

The above and A. M. Westington, F. Rosevear, W. H. Symons.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$360,000	$42,768	11.8	8+½
1921	360,000	50,247	13.9	8+1
1922	360,000	52,725	14.6	8+1½
1923	360,000	48,459	13.4	8+1
1924	360,000	52,920	14.6	8+1
1925	360,000	53,063	14.7	8+1
1926	360,000	53,427	14.8	8+1
1927	360,000	56,075	15.5	8+2

MONTREAL LOAN AND MORTGAGE CO., MONTREAL

	1926	1927
Assets—		
Mortgages	$1,772,544	$1,805,646
Other loans	414	30,867
Real estate & prem.	49,796	......
Cash and other	7,060	6,010
Total	$1,829,814	$1,842,523
Liabilities—		
To the Public:		
Debentures	$ 48,667	$ 48,666
Savings deposits	250,652	254,466
Other	8,928	8,337
To Shareholders:		
Capital	600,000	600,000
Reserves	850,000	850,000
Undiv. profits	47,567	57,053
Total	$1,805,814	$1,818,522

Officers—

G. Caverhill, pres.; W. E. Bolton, vice-pres.; R. A. Kydd, mgr.

Directors—

G. Caverhill, W. E. Bolton, H. Raine, G. R. Caverhill, W. B. Blackadar.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$600,000	$92,150	15.3	12+1
1921	600,000	87,318	14.5	12+1
1922	600,000	83,674	13.9	12+1
1923	600,000	86,237	14.3	12+1
1924	600,000	85,319	14.2	12+1
1925	600,000	85,958	14.3	12+1
1926	600,000	86,490	14.4	12+1
1927	600,000	87,436	14.5	12+1

MORTGAGE CORPORATION OF NOVA SCOTIA, HALIFAX

	1926	1927
Assets—		
Mortgages	$1,274,195	$1,345,610
Other loans	128	...
Securities	38,542	39,313
Real estate & prem.	49,937	49,723
Cash and other	330,596	355,451
Total	$1,693,398	$1,790,098
Liabilities—		
To the Public:		
Debentures	$420,815	$496,369
Savings deposits	49,003	53,265
Other	6,141	6,839
To Shareholders:		
Capital	$677,850	$680,000
Reserves	200,000	216,000
Total	$1,353,809	$1,452,473

Officers—

F. M. Anderson, chairman of board; A. Whitman, K.C., pres. and man. dir.; A. H. Whitman, vice-pres.

Directors—

The above and M. Chisholm, A. Mackinlay.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$513,541	$39,017	7.9	6
1921	521,192	39,756	7.9	6
1922	552,670	40,281	8.0	6
1923	562,944	42,696	7.9	6
1924	593,454	43,779	7.7	6
1925	620,884	50,047	8.3	6
1926	677,850	48,505	7.7	6
1927	680,000	56,750	8.3	6

NORTHERN CANADIAN MORTGAGE, WINNIPEG

	*1926	†1927
Assets		
Mortgages	$418,804	$508,866
Securities	53,934	......
Real estate & prem.	217,092	233,533
Cash and other	21,913	8,988
Total	$711,743	$751,388
Liabilities—		
To Shareholders:		
Capital	$613,304	$626,653
Reserves	40,000	38,228
Undiv. profits	48,189	43,036
Total	$701,493	$707,917

* As at May 31.
†As at Mar. 31.

Officers—

E. Cass, pres.; T. L. Hartley, vice-pres. and man. dir.

Directors—

The above and T. H. Webb, R. Carr, F. W. S. Crispo.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923	$572,686	$33,713	6.0	6
1924	587,282	34,267	5.9	6
1925	600,000	32,065	5.4	6
1926	613,304	33,309	5.4	6
1927x	626,653	31,643	5.0	6

xFor 10 months.

NORTHERN MORTGAGE CO. OF CANADA, WINNIPEG

	1926	1927
Assets—		
Mortgages	$2,022,182	$1,056,378
Securities	685,252	288,625
Real estate & prem.	432,669	453,434
Cash and other	263,078	217,546
Total	$3,403,181	$2,015,983
Liabilities—		
Debenture stock x	$1,000,000	$ ......
Other	8,103	9,662
To Shareholders—		
Capital	$2,016,395	†$150,000
Stock reduction	......	1,350,000
Calls pd. in adv.	......	166,071
Reserves	200,000	300,000
Undiv. profits	116,589	20,539
Total	$3,341,087	$1,996,272

x The debenture stock was called in and paid off on July 1, 1927. †In December, 1927, the capital was reduced to $150,000 consisting of 30,000 shs. of a par value of $5.

Officers—

G. V. Hastings, pres.; D. K. Elliott and R. T. Riley, vice-pres'.; J. H Riley, mgr.; R. H. Smith, sec.

Directors—

G. W. Allan, K.C., N. J. Breen, W. H. Malkin, Capt. W. Robinson, F. W. Stobart, G. F. Galt, A. Macdonald, J. Robinson, C. S. Riley, P. C. Shepherd, J. H. Turnbull.

Earnings Record—

Year	Paid up Capital	Profits	% Earned	Div. Rate
1923	$2,003,387	$130,497	6.5	6
1924	2,008,282	123,126	6.1	6
1925	2,016,345	101,374	5.0	5
1926	2,016,395	86,039	4.2	4
1927	150,000	44,678	2.2	2

NORTH OF SCOTLAND CANADIAN MORTGAGE CO., SCOTLAND

	6 mos. end. May 15 1926	12 mos. end. May 15 1927
Assets—		
In Canada—		
Mortgages	£1,567,600	£1,545,770
Other loans	30,822	71,918
Securities	109,164	108,721
Real estate & prem.	93,010	81,117
Cash and other	97,954	87,780
Total	£1,898,550	£1,895,306
Liabilities—		
To the Public—		
Debentures, etc.	£ 527,060	£ 526,422
Debenture stock	553,482	553,482
Other	17,521	14,942
To Shareholders—		
Capital	£ 276,000	£ 276,000
Reserves	395,000	395,000
Undiv. profits	54,943	54,197
Total	£1,824,006	£1,820,043

Officers—

G. A. Duff, chm.; Osler, Hammond & Nanton, Winnipeg, gen. mgrs. in Canada; G. Mollison, mgr. and sec. Aberdeen. General Advising Board in Canada: F. L. Patton, and D. C. Coleman, Winnipeg.

Directors—

G. A. Duff, Rt. Hon. Earl of Caithness, C.B.E., G. Hutcheson, Col. G. Milne, C.B., Sir J. Taggart, K.B.E., LL.D., Scotland.

Earnings Record—(In Canada and Scotland)

Year	Paid-up Capital	Profits	Earned %	Div.
1924	£276,000	£35,287	12.7	15
1925	276,000	30,682	11.1	15
1926	276,000	x15,902	5.7	15
1927	276,000	31,362	11.3	15

xFor six months.

N. S. SAVINGS, LOAN & BUILDING SOCIETY, HALIFAX

	1926	1927
Assets—		
Mortgages	$1,878,242	$1,938,471
Securities	216,307	265,499
Real estate & prem.	21,800	13,200
Cash and other	67,531	70,115
Total	$2,183,880	$2,287,285
Liabilities—		
To the Public:		
Debentures	$748,126	$792,677
Savings deposits	75,973	72,781
Other	10,173	9,179
To Shareholders:		
Capital	$1,118,608	$1,174,648
Reserves	231,000	238,000
Total	$2,183,880	$2,287,285

Officers—

H. McInnes, K.C., pres.; A. B. Wiswell, vice-pres.; L. A. Prescott, sec.-treas.

Directors—

H. McInnes, A. B. Wiswell, Hon. J. F. Fraser, J. B. Kenny, K.C., W. Mitchell.

Earnings Record—

	1925	1926	1927
Receipts	$1,011,447	$835,140	$923,003
Disburs.	1,021,211	830,565	902,440
Balance	*9,764	4,575	20,563
Prev. balance	29,914	20,150	24,725
P. & L. balance	20,150	24,725	45,288

* Debit.

OKANAGAN LOAN & INVESTMENT TRUST CO., KELOWNA, B. C.

	1926	1927
Liabilities—		
Guaranteed Funds—		
Invest. receipts	$ 31,063	$ 29,977
Savings deposits	3,438	6,320
Other	3,158	2,879
	$ 37,659	$ 39,176
Estates, etc.—		
Agency acct.	......	$142,426
Company Funds—		
Capital	392,669	400,529
Reserves	48,000	48,000
Undiv. profits	602	1,633
	$441,271	$450,162

Officers—

D. W. Sutherland, chairman of board; B. de F. Boyce, vice-chairman; O. H. P. Aitkens, mgr.

Directors—

The above and J. B. Willits, D. Lloyd-Jones, W. R. Trench, Kelowna.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1922	$390,580	$33,139	8.5	4+5
1923	390,580	20,981	5.3	4+5
1924	390,580	17,806	4.5	4+5
1926	392,669	25,400	6.5	*6+5
1927	400,529	24,783	6.1	*6+5

* 6 per cent. on fully paid shares and 5 per cent. on partly paid shares.

ONTARIO LOAN & DEBENTURE CO., LONDON, ONT.

	1926	1927
Assets—		
Mortgages	$7,073,178	$7,884,468
Other loans	34,325	547,407
Securities	2,836,420	3,505,185
Real estate & prem.	87,245	67,864
Cash and other	175,833	342,068
Total	$10,207,002	$12,346,992
Liabilities—		
To the Public:		
£ debentures	$1,011,580	$ 877,796
$ debentures	3,678,768	5,144,983
Savings deposit	928,760	1,647,612
To Shareholders:		
Capital	$1,750,000	$1,750,000
Reserves	2,725,000	2,800,000
Undiv. profits	69,768	74,101
Total	$10,158,876	$12,294,492

Officers—

A. M. Smart, pres.; C. R. Somerville, vice-pres.; T. H. Main, mgr.

Directors—

The above and Col. W. M. Gartshore, J. M. Dillon, A. T. Little, J. G. Richter.

Earnings Record—

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1920	$1,750,000	$251,029	14.8	9+1
1921	1,750,000	289,591	16.5	10
1922	1,750,000	270,706	15.9	10+1
1923	1,750,000	265,580	15.6	10+1
1924	1,750,000	273,340	16.0	11
1925	1,750,000	269,245	15.3	11
1926	1,750,000	282,152	16.1	11
1927	1,750,000	289,334	16.5	12

*Less income tax.

PEOPLE'S LOAN & SAVINGS CO., LONDON, ONT.

	1926	1927
Assets—		
Mortgages	$ 973,716	$1,097,940
Other loans	6,668	5,851
Securities	53,339	93,263
Real estate and prem.	53,205	79,148
Cash and other	120,714	170,267
Total	$1,207,637	$1,446,470
Liabilities—		
To the Public—		
Debentures	$ 207,314	$ 456,979
Savings deposits	397,669	385,036
To Shareholders—		
Capital	500,000	500,000
Reserves	100,000	100,000
Undiv. profits	2,653	4,455
Total	$1,207,636	$1,446,470

Officers—

J. Gray, pres.; W. Spittall, gen. mgr.

Directors—

The above and A. W. Penne, A. A. Campbell, M. McGugan, Wm. Heaman, W. J. Stevenson, J. D. Anderson.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1920	$439,388	$28,392	6.0	5
1921	494,101	29,229	5.9	5
1922	496,008	31,698	6.4	5
1923	496,246	31,447	6.4	5¼
1924	500,000	30,620	6.2	5½
1925	500,000	30,352	6.0	5½
1926	500,000	29,456	5.9	5½
1927	500,000	29,302	5.9	5½

REAL ESTATE LOAN CO., TORONTO

	1926	1927
Assets—		
Mortgages	$1,273,918	$1,406,048
Other loans	6,568	5,525
Securities	98,580	89,173
Real estate & prem.	62,882	78,499
Cash and other	48,220	46,186
Total	$1,490,168	$1,625,432
Liabilities—		
To the Public:		
£ debentures	$587,629	$696,879
$ debentures	80,024	104,086
Other	3,657	2,857
To Shareholders:		
Capital	$500,000	$500,000
Reserves	265,000	275,000
Undiv. profits	11,072	4,073
Total	$1,447,382	$1,582,895

Officers—

E. Wragge, pres.; H. W. Mickle, vice-pres.; E. L. Morton, man. dir.

Directors—

The above and W. A. Cooke, H. W. Aikins.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$500,000	$38,862	7.7	7
1921	500,000	46,200	9.2	7
1922	500,000	41,039	8.2	7
1923	500,000	42,364	8.4	7
1924	500,000	35,178	7.0	7
1925	500,000	36,706	7.3	7
1926	500,000	40,384	8.0	7
1927	500,000	42,701	8.5	7

(Continued on page 17)

OKANAGAN LOAN & INVESTMENT TRUST CO.

KELOWNA, B.C.

BOARD OF DIRECTORS:

Mayor D. W. Sutherland, Chairman.
B. de F. Boyce, Esq., M.D., Vice-Chairman.
D. Lloyd-Jones, Esq. P. B. Willits, Esq.
J. R. Beale, Esq., J.P.
O. St. P. Aitkens, Esq., M.C., General Manager.

BALANCE SHEET as at JUNE 30TH, 1927

ASSETS	
Trust Accounts	$ 39,177.44
Cash on Hand	2,462.03
Government and Municipal Bonds	69,392.37
Mortgages and Agreements For Sale	351,343.97
Accounts Receivable	7,789.83
Office Building	19,667.42
Furniture	1,344.47
Other Real Estate	43,607.86
Deferred Charges	3,013.46
Agency Mortgages, etc., for Collection	142,426.91
	$680,225.76

LIABILITIES		
Trust Accounts		
Guaranteed Mortgage Certificates	$29,977.76	
Current Accounts	9,199.68	
		$ 39,177.44
Accounts Payable		24,567.92
Capital Paid Up		400,529.70
Reserve		
General		48,000.00
For Losses		11,161.34
Profit on Forfeited Shares		786.40
Dividend No. 33		11,942.91
Unappropriated Profits		1,633.14
Agency Accounts		142,426.91
		$680,225.76

Trust Estate Funds are not shown in the Balance Sheet.

PROFIT AND LOSS ACCOUNT

To Expenses of Management	$ 16,076.84
Taxes	1,603.27
Interest paid on Mortgage certificates, etc.	3,062.38
Depreciation on Office Furniture	214.98
Balance being Profit for the year	24,783.16
	$45,740.63
To Dividends No. 32 and 33 at 6% per annum on Fully Paid Shares, 5% on Partly Paid Shares	23,752.91
Balance Unappropriated Profits	1,633.14
	$25,386.05

By Brokerage and Commission, etc.	$ 13,000.60
Interest paid and accrued on Mortgages and Investments	31,796.58
Net Profit on Real Estate rentals after writing off depreciation	943.45
	$45,740.63
By Profit for year ended June 30th, 1927	24,783.16
Balance as at June 30th, 1926	602.89
	$25,386.05

Estates Managed, Appraisals. Trustees, Executors, etc. We will be pleased to handle your business in the Okanagan.

Trustee, Executor, Administrator Assignee, Transfer Agent, or Registrar of Stocks and Bonds of Companies

FIRST MORTGAGE LOANS at current rates receive our special attention.

OUR CHIEF WORK is the administration of Estates under Will, the cost of this expert service being no more than that of an individual executor.

We invite consultation on any of the above matters.

CAPITAL TRUST CORPORATION
Limited

10 Metcalfe Street
OTTAWA

Bay & Richmond Streets
TORONTO

The Premier Trust Company

Operated under the same management as

The Peoples Loan and Savings Corporation

Head Office: London, Ont.

Branch Office: 32 London St. W., Windsor, Ont.

Acts as Administrator, Executor, Trustee, Committee of a person and all other functions of a trust character. In making your Will see that The Premier Trust Co. is named as Executor and Trustee, thereby affording protection to your estate.

Consult us about the creation of a "Living Trust" and what it means to you and your dependents.

JAMES GRAY, *President* — A. A. CAMPBELL, *General Manager* — WM. SPITTAL, *Sec.-Treas.*

THE REAL ESTATE LOAN COMPANY OF CANADA LIMITED

Established Under Dominion Charter, 1883

5½ PER CENT. PAID HALF YEARLY ON CURRENCY DEBENTURES FOR ONE YEAR AND OVER

THE debentures of this Company are issued on an especially conservative basis, being limited by by-law to the amount of the fully paid capital and reserve of the Company. As this Company does not take deposits, its debentures are a first charge upon the whole assets of the Company.

DIRECTORS

EDMUND WRAGGE, M.I.C.E., President; H. W. MICKLE, K.C., Vice-President; WM. A. COOKE, H. WILBERFORCE AIKINS, M.D.; E. L. MORTON, Managing Director.

Manitoba Agent:
ALEXANDER BAIN, Winnipeg, Man.
British Columbia Agents:
LONDON & BRITISH NORTH AMERICA CO., LTD. Vancouver, B.C.
Alberta Agents:
SCARTH AGENCIES, LTD., Edmonton, Alta.

28 Wellington St. East, Toronto, Ont.
and Edinburgh, Scotland

Write Above Offices for Further Information

THE
VICTORIA TRUST AND SAVINGS COMPANY

Lindsay - Ontario

Capital subscribed and fully paid	$ 800,000.00
Reserve fund and undivided profits	667,767.62
Total assets	6,590,511.74

Statement of Growth of Assets

1922	$3,721,761
1923	4,157,433
1924	4,578,244
1925	5,218,820
1926	5,886,449
1927	6,590,511

Statement of Profits
(With reserves for Federal Taxes and amounts Written Off Premises Deducted)

1925	$105,015
1926	110,431
1927	124,921

W. FLAVELLE, President. C. E. WEEKS, Manager.

Your Will should be Carefully Prepared

In view of the legal technicalities and of the judicial interpretation of the language used in a Will, it is a grave mistake for you to draw your own. No other legal document that you execute is so important as your Will. We can not emphasize too strongly the importance of having it drawn by a competent solicitor or Notary—and of equal importance is the appointment of your Executor.

Montreal Trust Company

11 Place d'Armes, Montreal

SIR HERBERT S. HOLT, *President* — A. J. BROWN, K.C., *Vice-President* — F. G. DONALDSON, *General Manager*

"Older than the Dominion of Canada"

Branches in Five Provinces

The "Old Huron & Erie" enters its 65th Year

Assets now total over	$42,000,000
Paid-up Capital and Reserve Fund	$ 7,500,000

Huron & Erie debentures are approved for executors and trustees under special Order-in-Council issued in May, 1913.

They are a legal investment for insurance companies—and over 40 such companies included Huron & Erie debentures among their assets at the close of 1927.

The Huron & Erie
MORTGAGE CORPORATION
London (four) Toronto Hamilton Windsor St. Thomas
Chatham Winnipeg Edmonton Regina Victoria
T. G. Meredith, K.C., Chairman of the Board
Hume Cronyn, President
M. Aylsworth, General Manager

On duty for 64 years

Canadian Mortgage Companies

(Continued from page 16)

SASKATCHEWAN LOAN & INVESTMENT CO., MOOSE JAW

Assets—

	1926	1927
Mortgages	$332,690	$335,151
Real estate & prem.	51,932	68,070
Cash and other	40,438	30,602
Total	$425,060	$433,823

Liabilities—

To Shareholders:

Capital	$354,870	$361,471
Reserve	40,000	40,000
Undiv. profits	10,260	11,800
Total	$405,130	$413,271

Officers—

E. N. Hopkins, pres.; J. H. Kern, vice-pres.; W. D. McIntyre, sec.

Directors—

E. N. Hopkins, J. H. Kern, A. Hitchcock, Hon. W. B. Willoughby, K.C., J. H. Grayson, J. D. Fraser, W. H. Beesley, T. Bennie, J. Thomson, J. C. Poyser, J. A. McCartney, all of Moose Jaw.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923 ...	$351,338	$22,477	6.4	7
1924 ...	352,475	22,270	6.3	7
1925 ...	353,649	19,544	6.0	7
1926 ...	354,870	20,403	6.2	6
1927 ...	361,470	21,780	6.4	6

SECURITY LOAN AND SAVINGS CO., ST. CATHARINES, ONT.

Assets—

	1926	1927
Mortgages	$1,345,146	$1,473,386
Other loans	8,137	10,771
Securities	189,982	144,060
Real estate and prem.	21,722	21,722
Cash and other	45,589	111,247
Total	$1,610,576	$1,761,186

Liabilities—

To the Public—

Debentures	$ 439,292	$ 527,744
Savings deposits	347,897	391,065
Other	3,972	4,146

To Shareholders—

Capital	$ 539,800	$ 539,800
Reserves	255,000	275,000
Undiv. profits	5,722	4,538
Total	$1,591,683	$1,742,293

Officers—

H. J. Taylor, pres.; J. H. Ingersoll, K.C., vice-pres.; F. Blaikie, mgr.

Directors—

H. J. Taylor, J. H. Ingersoll, K.C., A. W. Moore, J. Newman, H. Southcott, E. F. Dwyer, F. Blaikie.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1920	$532,300	$43,592	8.2	6
1921	532,300	43,707	8.2	6½
1922	534,700	48,993	9.2	7
1923	536,100	49,575	9.3	7
1924	538,200	50,942	9.5	7
1925	539,800	53,319	9.8	7
1926	539,800	54,732	10.1	7
1927	539,800	56,601	10.5	7

LA SOCIETE NATIONAL DE FIDUCIE, MONTREAL

Assets—

	1926	1927
Mortgages	$130,014	$153,990
Other loans	61,184	15,146
Securities	308,392	347,461
Cash and other	49,342	26,794
Total	$548,932	$543,391

Liabilities—

To the Public:

Debentures	$191,932	$170,212
Savings deposits	144,624	143,922
Other	5,000	......

To Shareholders:

Capital	100,000	105,000
Reserves	99,664	116,492
Undiv. profits	7,712	7,765
Total	$548,932	$543,391

Officers—

Gaspard De Serres, pres.; V. Morin, vice-pres.; J. De Serres, mgr. and sec.

Directors—

V. E. Beaupre, A. Parent, G. Vanier, J. V. Desaulniers, J. Pelletier, C. Laurenveau, L. Trepanier.

Earnings Record—

	1926	1927
Net	$ 31,561	$ 33,995

SOCIETE DE PRETS ET PLACEMENTS, QUEBEC

Assets—

	1926	1927
Mortgages	$1,095,042	$1,331,454
Other loans	4,366	14,612
Real estate and prem.	5,403	10,403
Cash and other	3,101	5,193
Total	$1,107,912	$1,361,662

Liabilities—

To the Public:

Savings deposits	$ 95,605	$113,671
Other	105,460	174,460

To Shareholders:

Capital	500,000	600,000
Reserves	385,000	450,000
Undiv. profits	5,089	4,307
Total	$1,091,154	$1,342,438

Officers—

M. P. J. Barzin, pres.; C. P. Chateauvert, N. P., vice-pres.; F. F. Houde, sec.-treas.; G. La Roche, asst. sec.-treas.

Directors—

M. P. J. Barzin, G. P. Chateauvert, F. Delisle, A. N. Drolet. J. L. Morency.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1923 ...	$411,900	$40,466	10.9	8+1
1924 ...	438,600	46,816	10.9	8+1
1925 ...	500,000	53,808	11.0	8+1
1926 ...	500,000	60,249	12.0	8+1
1927 ...	600,000	64,576	10.7	8+1

TORONTO MORTGAGE CO., TORONTO

Assets—

	1926	1927
Mortgages	$2,336,540	$2,708,331
Other loans	3,500	750
Securities	1,092,516	885,599
Real estate & prem.	45,000	45,000
Cash and other	70,012	41,658
Total	$3,547,568	$3,681,339

Liabilities—

To the Public—

£ Debentures	$1,525,220	$1,542,497
$ Debentures	284,868	354,267
Savings deposits	91,135	104,942
Other	28,725	30,175

To Shareholders—

Capital	$ 724,550	$ 724,550
Reserves	800,000	850,000
Undiv. profits	67,632	49,469
Total	$3,522,130	$3,655,900

Officers—

T. R. Wood, pres.; A. M. M. Kirkpatrick, vice-pres.; W. Gillespie, mgr. and sec. treas.

Directors—

All of the above and E. R. Greig, Hon. G. S. Henry, G. B. Strathy, A. F. White.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1920	$724,550	$93,386	12.9	9
1921	724,550	91,396	12.6	9
1922	724,550	88,286	12.2	10
1923	724,550	91,618	12.7	10
1924	724,550	99,860	13.7	10+1
1925	724,550	95,659	13.2	10+1
1926	724,550	112,447	15.5	10+1
1927	724,550	111,537	15.5	10+1

TORONTO SAVINGS AND LOAN CO., PETERBOROUGH, ONT

Assets—

	1926	1927
Mortgages	$ 878,524	$ 765,563
Other loans	1,650	1,700
Securities	2,248,995	2,674,965
Real estate & prem.	1,852,655	1,648,626
Cash and other	260,541	252,993
Total	$5,242,365	$5,343,847

Liabilities—

To the Public—

£ Debentures	$1,050,285	$ 873,770
$ Debentures	977,215	1,022,509
Savings deposits	949,165	1,165,936
Other	3,253	1,708

To Shareholders—

Capital	$1,000,000	$1,000,000
Reserves	1,200,000	1,200,000
Undiv profits	12,446	19,923
Total	$5,192,364	$5,283,846

Officers—

H. C. Cox, L. McCarthy, K.C., G. A. Morpres. and man. dir.; L. McCarthy, vice-pres.; H. W. Morphet, sec.

Directors—

H .C. Cox, L. McCarthy, K.C., G. A. Morrow, E. R. Wood, T. T. Malone, K.C., A. H. Cox, Toronto; W. G. Morrow, Peterborough

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Rate Div.
1922 ..	$1,000,000	$144,251	14.4	12+2
1923 ..	1,000,000	129,822	12.9	12
1924 ..	1,000,000	148,830	14.8	12+2
1925 ..	1,000,000	150,240	15.0	14
1926 ..	1,000,000	143,627	14.3	12+2
1927 ..	1,000,000	157,477	15.7	12+3

THE TRUST & LOAN CO. OF CANADA

Assets—

	*1926	*1927
Mtges. (in Can.)	$15,477,488	$15,372,319
Land inv. "	1,009,195	1,029,930
Sundry debtors (in Canada)	747,365	702,358
Securities	£1,001,339	£1,044,211
Real estate & prem.	$ 101,676	$ 101,655
Cash and other	43,407	49,188
Total	£4,687,665	£4,709,700

Liabilities—

To the Public:

Debentures	£2,129,010	£2,097,379
Debenture stock	761,103	761,103
Other	244,348	284,757

To Shareholders:

Capital	£1,350,000	£1,350,000
Reserves	145,693	156,072
Undiv. profits	57,510	60,389
Total	£4,687,665	£4,709,700

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* For year ending March 31.

Officers—

In Canada: J. Campbell, commissioner, Winnipeg; E. R. Whitehead, Winnipeg; R. C. Young, Montreal, and J. Rogers, Regina, asst. commissioners; R. Kingdom.

Directors—

Col. Hon. S. Peel, D.S.O., pres.; Sir V. Caillard, D.L., vice-pres.; F. W. Stobart, O. B. E., J. H. Newcomb, J. Galt, J. Campbell.

Earnings Record—

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1924 ..	£1,350,000	£79,743	5.9	6
1925 ..	1,350,000	89,087	6.5	6
1926 ..	1,350,000	91,536	6.7	6
1927 ..	1,350,000	101,758	7.5	6

WESTERN CANADA INVESTMENT LONDON, ENG.

Assets—

	1926	1927
Mortgages	$ 968,610	$1,013,940
Securities	34,930	40,305
Real estate and prem.	172,880	167,805
Cash and other	56,480	11,840
Total	$1,232,900	$1,233,890

Liabilities—

To the Public—

Debentures	$ 379,775	$ 370,055

To Shareholders—

Capital	$ 750,000	$ 750,000
Reserves	50,000	55,000
Undiv. profits	26,790	27,340
Total	$1,206,565	$1,202,395

Officers—

J. G. Colmer, C.M.G., chm.; Black and Armstrong, Winnipeg, mgrs. in Canada; W. L. Waite, sec., London, Eng.

Directors—

J. G. Colmer, W. Graham, Sir R. MacLeod, A. Seymour, C. R. Regan, (Canada). Winnipeg Board — Sir D. H. McMillan, K.C.M.G., F. L. Patton, J. S. Hough, K.C.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Rate Div.
1925	$750,000	$31,540	4.2	7½
1926	750,000	36,480	4.8	7½
1927	750,000	36,795	4.9	7½

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

WESTERN HOMES, WINNIPEG

Assets—

	1926	1927
Mortgages	$1,043,328	$1,188,886
Real estate & prem.	70,590	65,332
Cash and other	23,478	28,428
Total	$1,137,397	$1,282,646

Liabilities—

To the Public	$ 40,591	$ 66,168
To Shareholders:		
Capital	$1,014,373	$1,101,178
Reserves	20,000	50,000
Undiv. profits	24,512	25,285
Total	$1,099,476	$1,242,631

Officers—

M. W. Argue, pres.; W. R. Mulock, K.C., and D. J. Dyson, vice-presidents; R. C. Duncan, sec.-treas.

Directors—

W. O. Jefferies, M. McInnes, E. J. Brownlee, W. A. Bremer, B. C. Parker.

Earnings Record—

	1927	1926	1925
Profits	$77,270	$68,266	$66,670
Divs. & inc. tax	46,496	54,626	67,409
Reserve	30,000	20,000	......
	76,496	74,626	67,409
Balance	774	x6,360	x739
Prev. bal.	24,512	30,872	31,611
P. & L. bal.	25,286	24,512	30,872

xDebit.

Canadian Trust Companies

(Continued from page 15)

CANADA TRUST CO., LONDON ONT.

Liabilities—

Guaranteed Funds—	1926	1927
Invest. receipts	$5,554,107	$6,447,100

Estates, Etc.—

Estates, Trusts and agencies	$12,215,088	$12,276,953

Company Funds—

Capital	$1,000,000	$1,000,000
Reserves	750,000	800,000
Undiv. profits	32,941	1,154
	$1,782,941	$1,801,154

Officers—

T. G. Meredith, K.C., chm. of board; Hume Cronyn, pres.; H. E. Gates, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern; C. J. Clarke, treas.; H. W. Givins, supt. of western branches.

Directors—

All of the above and A. R. Bartlett, K.C.; G. H. Belton; Hume Blake; H. S. Blackburn; I. Campbell, K.C.; J. B. Davidson; A. H. M. Graydon; N. R. Howden; J. G. Kerr, K.C.; Col. I. Leonard; P. Pocock, E. E. Reid; S. F. Washington, K.C.

Earnings Record—

Year	Paid-up Capital	'Net Profits	Earned p.c.	Div. Rate
1923 ...	1,000,000	94,018	9.4	8
1924 ...	1,000,000	107,343	10.7	9
1925 ...	1,000,000	108,848	10.8	9
1926 ...	1,000,000	115,699	11.5	9½
1927 ...	1,000,000	118,213	11.8	10

CAPITAL TRUST CORP., OTTAWA

Liabilities—

Guaranteed Funds—	1926	1927
Invest receipts	$1,492,170	$1,858,269
Savings deposits	1,216,484	1,529,921
	$2,708,654	$3,388,190

Estates, Etc.—

Estates, Trusts and agencies	$4,908,284	$6,656,292

Company Funds—

Capital	$ 614,921	$627,716
Reserves	60,000	80,000
Undiv. profits	44,372	48,443
	$719,293	$756,159

Officers—

Hon. M. J. O'Brien, hon. pres.; J. J. Lyons, pres.; A. E. Provost; E. W. Tobin; J. J. Seitz, vice-pres's.; B. G. Connolly, man. dir.; E. T. B. Pennefather, asst. gen. mgr.; E. L. Parent, mgr. estates dept.; A. C. Smith, mgr. savings dept.

Directors—

Hon. M. J. O'Brien; J. J. Lyons; A. E. Provost; E. W. Tobin; J. J. Seitz; J. J. McFadden; W. J. Hussey; J. G. Carroll; W. H. McAuliffe; Col. D. R. Street; J. B. Duford; J. A. O'Brien; A. J. Major; P. Shea; J. Gleason; B. G. Connolly, E. T. B. Pennefather; E. L. Parent; A. E. Smith.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1923	590,896	42,001	7.1	..
1924	596,569	42,528	7.3	4
1925	603,648	37,284	6.3	4
1926	614,921	39,051	6.4	4
1927	627,716	48,667	7.7	5

CROWN TRUST COMPANY, MONTREAL

Liabilities—

Guaranteed Funds—	1926	1927
Invest. receipts	$1,715,200	$1,609,150

Estates, Etc.—

Estates, Trusts and agencies	$8,860,544	$11,337,700

Company Funds—

Capital	$500,000	$957,185
Reserves	200,000	300,000
Undiv. profits	17,265	33,835
	$717,265	$1,291,020

Officers—

W. I. Gear, pres.; A. Lyman, vice-pres.; I. P. Rexford, gen. mgr.; W. H. Jackson, asst. mgr.; Wm. F. Brass, mgr. real estate dept.; J. G. McKay, sec.; J. H. Hobbs, asst. sec.; A. S. K. Stitt, asst. sec.

Directors—

W. I Gear; A. Lyman; G. W. Birks; F. G. Daniels; A. O. Dawson; H. B. Henwood; A. J. Hodgson; J. Jenkins; H. M. Lambert; J. A. Mann; E. C. Pratt; R. W. Reford; I. P. Rexford; J. G. Ross; J. W Ross; A Wainwright; A. B. Wood.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1923	500,000	52,588	10.5	6
1924	500,000	55,246	11.0	6
1925	500,000	56,181	11.2	6
1926	500,000	*50,301	10.0	6
1927	957,185	*56.050	9.6	6¾

* Less provision for taxes.

CANADA PERMANENT TRUST CO., TORONTO

Liabilities—

Guaranteed Funds—	1926	1927
Invest receipts	$ 502,266	$ 969,766

Estates, Etc.—

Estates, Trusts and agencies	$10,311,815	$14,976,327

Company Funds—

Capital	$1,000,000	$1,000,000
Reserves	250,000	300,000
Undv. profts	32,895	19,447
	$1,282,895	$1,319,447

Officers—

W. G. Gooderham, pres.; E. R. C. Clarkson, vice-pres.; G. H. Smith, gen. mgr.; W. F. Watkins, sec.; R. Henderson, inspector of branches; W. T. Creighton, supervisor of west. branches.

Directors—

W. G. Gooderham, E. R. C. Clarkson, Col. A. E. Gooderham, F. G. Osler, G. H. Smith, W. Mulock, K.C., G. W. Allan, K.C., W. Stone, A. B. Campbell, Edinburgh; N. Mackenzie, K.C.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1922 ...	$1,000,000	$70,833	7.0	5
1923 ...	1,000,000	74,552	7.4	5
1924 ...	1,000,000	80,146	8.0	5
1925 ...	1,000,000	85,398	8.5	5+1
1926 ...	1,000,000	91,248	9.1	5+1
1927 ...	1,000,000	96,551	9.6	5+1

CHARTERED TRUST AND EXECUTOR CO., TORONTO

Liabilities—

Guaranteed Funds—	1926	1927
Invest. receipts	$ 461,196	$ 495,587
Savings deposits	372,515	1,099,414
	$833,711	$1,595,001

Estates, Etc.—

Estates, Trusts and agencies	$10,256,878	$11,776,819

Company Funds—

Capital	$520,943	$522,844
Reserves	60,000	110,000
Undiv. profits	9,398	6,855
	$590,341	$639,699

Officers—

Hon. W. A. Charlton, P.C., pres.; W. S. Morden, K.C., vice-pres.; J. J. Gibson, mgr.

Directors—

Hon. W. Charlton; W. S. Morden; J. B. Tudhope; S. C. Tweed; J. A. Martin; Lt.-Col. D. H. Maclaren; R. R. Corson; F. R. Lalor; E. K. Reiner; J. Y. Murdoch; F. McLaughlin; J. J. Gibson.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1923	516,802	17,073	3.3	7
1924	519,303	28,236	5.4	7
1925	520,882	30,757	5.9	5½
1926	520,942	39,510	7.6	5
1927	522,844	74,881	14.3	5¼

CONSOLIDATED TRUSTS CORP., LONDON, ONT.

Liabilities—

Invest. receipts	$ 58,754	$ 60,525

Estates, Etc.—

Estates, Trusts and agencies	$997,011	$1,016,921

Company Funds—

Capital	$257,999	$258,000
Reserves	100,000	115,000
Undiv. profits	5,932	14,179
	$363,931	$387,179

Officers—

G. G. McCormick, pres.; T. Baker and W. E. Robinson, vice-pres.; H R. Clewes, mgr.

Directors—

All of the above and T. W. Scandrett, C. R. Hunt, F. A. McCormick, W. Wright, London; C. St. C. Leitch, K.C., St. Thomas; E. A. Miller, Aylmer; D. M. Wright, Stratford.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$257,212	$12,027	4.7	.
1924	257,212	11,321	4.4	.
1925	257,998	12,639	4.9	.
1926	257,998	13,538	5.2	.
1927	258,000	23,246	9.0	.

COMMERCIAL TRUST CO., LTD., Prince Albert, Sask.

Liabilities—

Guaranteed Funds—	1926	1927
Estates, trusts and agencies	$26,067	$ 22,436

Company Funds—

Capital	$15,000	$ 15,000
Reserves	1,000	700
Undiv. profits	219	157
	$16,219	$ 15,857

Directors—

F. C. Baker, J. H. Lindsay.

Paid-up Earn. Div.

EASTERN TRUST COMPANY HALIFAX

Liabilities—

Guaranteed Funds—	1926	1927
Invest. receipts	$3,111,616	$4,090,788

Estates, Etc.—

Estates, Trusts and agences	$35,118,248	$35,518,680

Company Funds—

Capital	$1,000,000	$1,000,000
Reserves	100,000	100,000
Undiv. profits	6,796	7,457
	$1,106,796	$1,107,457

Officers—

Hon. W. A. Black, P.C., pres.; G. H. Murray, K.C., H. R. Silver, and Hon. F. B. McCurdy, P.C., vice-pres's.; D. MacGillivray, gen. mgr.

Directors—

Hon. W. A. Black, G. H. Murray, H. R. Silver, Hon. F. B. McCurdy, Hon. R. B. Bearsley, A. J. Campbell, K.C., W. H. Chase, A. K. Cameron, J. B. Douglas, H. C. Flood, H. J. Hague, K.C., Hon. C. W. Robinson, K.C., H. Ross, K.C., G. W. Scott, O. E. Smith, T. F. Tobin, K.C.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1922 ...	$1,000,000	$93,394	9.3	10
1923 ...	1,000,000	92,879	9.2	10
1924 ...	1,000,000	109,856	10.9	10
1925 ...	1,000,000	91,699	9.1	8½
1926 ...	1,000,000	79,532	7.9	8
1927 ...	1,000,000	80,661	8.0	8

EXECUTORS & ADMINISTRATORS TRUST CO., MOOSE JAW

Liabilities—

Estates, Etc.—

	1926	1927
Estates, Trusts and agencies	$ 58,323	$82,680

Company Funds—

Capital	$ 91,891	$ 91,891
Reserves	4,565	4,960
Nndiv. profits	3,287	5,499
	$99,833	$102,340

Officers—

W. Irwin, pres.; J. H. Wellington, 1st vice-pres.; A. R. Bie, 2nd vice-pres.; W. A. Munns, mgr.

Directors—

W. F. Dunn, K.C., P. F. Anderson, L. McTaggart, A. W. Irwin, J. H. Wellington, J. W. Sifton. R. H. Clarke.

(Continued on page 18)

The Best is the Cheapest

CHARTERED Trust and Executor Company provides the skill and experience necessary for the wise and careful administration of every estate.

It is admitted that a Trust Company gives greatly better service as an Executor than does an individual. It receives no remuneration except what the Court allows, and in this respect the Court makes no distinction between personal and corporate executors. The maximum remuneration as a rule allowed by the Court is 2½% of the total realization and of the total distribution; and in the majority of cases, where there are no difficult circumstances to deal with, the remuneration is usually less.

Conferences without obligation and in confidence are invited with references to any aspect of this Company's Service.

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CHARTERED TRUST & Executor Company

46 King Street West, Toronto

HON. W. A. CHARLTON, President.
JOHN J. GIBSON, General Manager.

STRENGTH SERVICE SECURITY

W. S. MORDEN, K.C. Vice-President and Mgr. of Trust Dept.

Guelph and Ontario Investment and Savings Society

Incorporated A.D. 1876

Deposits Received Debentures Issued

Money to Loan on First Mortgages

GEORGE D. FORBES, President.
J. M. PURCELL, Managing Director.

Head Office: Guelph, Ontario

The Guelph Trust Company

under the same management acts as Executor, Administrator and Trustee.

A Complete Trust Company Service

Capital and Reserve, $1,000,000
Assets, . . . 7,000,000

Directors

THOS. HILLIARD, President
E. F. SEAGRAM, 1st Vice-President
F. S. KUMPF, 2nd Vice-President

H. J. SIMS, K.C. THOS. SEAGRAM
LOUIS L. LANG FRED HALSTEAD
HENRY KNELL GEORGE A. DOBBIE
C. M. BOWMAN PERCY R. HILBORN
W. L. HILLIARD, M.D. J. H. GUNDY

P. V. WILSON, Managing Director

THE WATERLOO TRUST and Savings Company

WATERLOO KITCHENER GALT

The TORONTO GENERAL TRUSTS CORPORATION

"Canada's Oldest Trust Company"—Established 1882

Board of Directors

President
HON. N. W. ROWELL, K.C., LL.D.

Vice-Presidents
MAJOR-GEN. SIR JOHN M. GIBSON, K.C.M.G., K.C., LL.D.
Director, The Canadian Bank of Commerce; Canada Life Assurance Co., etc.

CHARLES S. BLACKWELL
Chairman Board of Directors, The Dominion Bank; Director, The Massey-Harris Co., Limited

E. T. MALONE, K.C.
Vice-President, The Imperial Life Assurance Company of Canada; Director, The Central Canada Loan and Savings Company

J. G. SCOTT, K.C.
Former Master of Titles

HON. A. C. HARDY
Senator, Dominion of Canada; Director, G. T. Fulford Co., Ltd.

J. BRUCE MACDONALD

LIEUT.-COL. R. W. LEONARD
President, Coniagas Mines, Ltd.; Past President, Canadian Engineering Institute

COL. JOHN F. MICHIE
President, Michie Co., Limited, Toronto; Director, Confederation Life Association; Imperial Bank of Canada

HON. SIR DANIEL H. McMILLAN, K.C.M.G.
Director, The Great-West Life Assurance Company

H. H. WILLIAMS
Director, The Dominion Bank; The Imperial Life Assurance Company of Canada

THOMAS BRADSHAW
President, North American Life Assurance Co.; Director, Canadian Surety Co., Ltd.; General Manager, Massey-Harris Co., Ltd.

WILMOT L. MATTHEWS
Director, Confederation Life Association; The Dominion Bank, etc.

ARCHIBALD H. CAMPBELL
Director, The Bank of Toronto; The Consumers' Gas Co.

F. BARRY HAYES
President, The Toronto Carpet Manufacturing Co., Limited

S. J. MOORE
President, Bank of Nova Scotia; Vice-President, and Chairman Board of Directors, The City Dairy Company, Ltd.; President, F. N. Burt Co., Ltd.

ISAAC PITBLADO, K.C., LL.D.
Director, Canadian Bank of Commerce; Mutual Life Assurance Co.

ALEXANDER MACLAREN
Director, The Bank of Nova Scotia

PAUL J. MYLER
President, Canadian Westinghouse Co., Ltd.; Vice-President, Landed Banking & Loan Co.; Director, The Bank of Toronto

W. W. NEAR
President, Page-Hersey Tubes Ltd.

ALBERT MATTHEWS
President, Matthews & Company, Ltd.

A. E. PHIPPS
General Manager, Imperial Bank of Canada; President, Canadian Bankers' Association

CHARLES S. MacINNES, C.M.G., K.C., LL.D.

W. G. WATSON, General Manager.
H. M. FORBES, Assistant General Manager.

TORONTO - MONTREAL - OTTAWA - WINNIPEG
SASKATOON - VANCOUVER

EXECUTOR-TRUSTEE
ADMINISTRATOR

TRANSFER AGENT
REGISTRAR
TRUSTEE FOR BONDHOLDERS

REAL ESTATE MANAGEMENT

SAFE DEPOSIT VAULTS

THE TORONTO GENERAL TRUSTS CORPORATION

Total Value of Property and Estates Under Our Administration Now Reaches

$169,800,000

An Increase Over 1926 Of $10,000,000

The British Mortgage and Trust Corporation of Ontario

10 Albert St. - Stratford, Ont.

Established 1877

The Guaranteed Investment Certificates of this Corporation bear 5% interest, paid half-yearly, for a term of 3 or 5 years. They are a most safe and convenient form of investment.

HON. NELSON MONTEITH, President
W. H. GREGORY, Managing Director

4% Interest paid on Savings

President:
E. R. WOOD
President, Dominion Securities Corporation, Limited

Vice-Presidents:
H. C. COX
President, Canada Life Assurance Company
G. A. MORROW
President, Imperial Life Assurance Company

CENTRAL CANADA LOAN AND SAVINGS COMPANY

CORNER OF KING & VICTORIA STS.

ESTABLISHED 1884

Head Office: TORONTO
Branch Office: OSHAWA

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RESOURCES OVER 10 MILLIONS

Canadian Trust Companies

(Continued from page 17)

THE EQUITABLE TRUST COMPANY, WINNIPEG

Liabilities—	1926	1927
Estates, Etc.—		
Trusts	$	$ 3,250
Company Funds—		
Capital	$555,031	$555,031
Reserves	50,000	50,000
Undiv. profits	76,119	88,616
	$681,150	$693,647

Officers—
E. F. Hutchings, pres.; F. W. Liestikow, and Sir H. J. Macdonald, vice-pres's.; J. A. Forlong, man. dir.; E. C. McMurray, sec-treas.

Directors—
The above and A. M. Stewart, J. Douglas, W. L. Parrish.

Profit and Loss Account—

—Year end: Dec. 31, 1927	
Net income	$13,721
Bal. forward	x74,895
Surplus	$88,616

x Less Income Tax.

GREY AND BRUCE TRUST & SAVINGS CO., OWEN SOUND

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$287,635	$311,290
Savings deposits	443,253	536,229
Other	3,652	4,480
	$684,540	$851,999
Estates, Etc.—		
Estates	$	$ 12,728
Company Funds—		
Capital	$544,450	$544,700
Reserves	70,000	70,000
	$614,450	$614,700

Officers—
R. Wightman, pres.; J. Parker, 1st vice-pres.; M. Forhan, 2nd vice-pres.; W. M. Telford, mgr.

Directors—
The above and C A. Fleming, J. Gardner, W. Gardner, J. C. Kennedy, G. S. Kilbourn, F. H. Kilbourn, W. S. Middlebro, W. H. Taylor, G. D. McLauchlan.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1926	$544,450	$35,729	6.6	6
1927	544,700	33,360	6.1	6

THE GUELPH TRUST CO., GUELPH

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$322,034	$349,220
Other	10,298	9,447
	$332,332	$358,667
Estates, Etc.—		
Estates, Trusts and agencies	$453,939	$513,200
Company Funds—		
Capital	$299,000	$299,000
Reserves	80,650	90,650
Undiv. profits	16,831	17,464
	$396,481	$407,114

Officers—
W. E. Phin, pres.; G. D. Forbes, 1st vice-pres.; T. A. Keatinge, 2nd vice-pres.; J. M. Purcell, man. dir.

Directors—
The above and J. E. McElderry, J. R. Phin, J. R. Howitt, J. J. Shaw.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1923	$299,000	$26,388	8.8	5
1924	299,000	28,275	9.3	5
1925	299,000	25,534	8.5	5
1926	299,000	27,358	9.1	5
1927	299,000	25,588	8.5	5

*Less taxes.

THE IMPERIAL TRUST CO. OF CANADA TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$221,596	$253,410
Savings deposits	420,463	516,528
Other	35,310	38,009
	$677,369	$807,947
Estates, Etc.—		
Estates	$1,293,150	$1,417,059
Trusts and agencies	2,520,623	3,463,156
	$3,813,773	$4,880,215
Company Funds—		
Capital	$248,164	$248,649
Reserves	50,000	50,000
Undiv. profits	35,831	36,112
	$333,995	$334,761

Officers—
A. J. Jackson, pres.; A. C. McMaster, K.C., vice-pres.; J. A. Withrow, mgr.; J. S. Haxton, mgr estates dept.

Directors—
A. J. Jackson, A. C. McMaster, K.C., E. J. B. Duncan, A. W. Marquis, K.C., S. Samuel, Hon. G. Lynch-Staunton, K.C., J. Gilchrist.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1919	$205,526	$13,573	6.7	3
1920	214,179	22,857	11.4	6
1921	226,036	14,687	6.9	6
1922	238,183	26,447	12.0	6
1923	248,044	5,266	2.2	6
1924	248,164	2,274	0.9	.
1925	248,164	14,330	5.7	3
1926	248,164	481	..	.
1927	248,649	281	..	.

IMPERIAL TRUST CO. MONTREAL

Liabilities—	1926	1927
Guaranteed fund	......	$ 530,000
Estates, etc—		
Trusts and agencies	......	7,904
Company Funds—		
Capital	$1,025,500	$1,025,500
Reserves	500,000	500,000
Undiv. profits	62,935	89,107
	$1,588,435	$1,614,607

Officers—
Hon. Lorne C. Webster, Pres.; Wm. C. Finley, Vice-Pres.; Brig.-Gen. Jas. G. Ross, C.M.G., Vice-Pres.; E. B. Finley, Sec.-Treas.

Directors—
The above and P. J. McIntosh, Hon. J. L. Perron, K.C., Wm. G. Ross, F. Howard Wilson, J. D. McTaggart.

LONDON AND WESTERN TRUSTS CO., LONDON

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$18,225,701	$24,750,183
Company Funds—		
Capital	$500,000	$500,000
Reserves	375,000	400,000
Undiv. profits	18,514	19,486
	$893,514	$919,486

Officers—
A. W. Little, pres.; A. M. Smart, and C. R. Somerville, vice-pres's.; J. S. Moore, mgr.

Directors—
A. W. Little; A. M. Smart; C. R. Somerville; J. Pringle, J. M. Dillon, G. C. Gunn, G. J. Ingram, C. M. Duffield, Col. W. M. Gartshore; R. F. Lawson; A. McPherson; J. M. Moore, London; G. Mair, Windsor; J. S. Moore.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned p.c.	Div. Rate
1921	500,000	27,378	5.4	7
1922	500,000	102,161	20.4	7
1923	500,000	67,586	13.5	7
1924	500,000	65,703	13.1	7
1925	500,000	69,377	13.8	7
1926	500,000	71,653	14.3	8
1927	500,000	71,512	14.3	8

*Taxes deducted.

MONTREAL TRUST CO., MONTREAL

Liabilities—	1926	1927
Guarant'd funds	$ 2,317,839	$ 2,985,937
Ests. and trusts	169,230,333	209,181,895
Company Funds—		
Capital	$1,000,000	$1,000,000
Reserves	1,750,000	1,900,000
Undiv. profits	88,846	100,041
	$2,838,846	$3,000,041

Officers—
Sir. H. S. Holt, pres.; A. J. Brown, K.C., vice-pres.; F. G. Donaldson, gen. mgr.

Directors—
Robert Adair, J. E. Aldred, A. J. Brown, K.C., G. Caverhill, Hon. N. Curry, Hon. R. Dandurand, F. G. Donaldson, G. H. Duggan, Sir Herbert S. Holt, F. P. Jones, Hon. Smeaton White, G. W. MacDougall, K.C., Wm. M. MacPherson, A. D. MacTier, C. B. McNaught, F. W. Molson, C. E. Neill, Hugh Paton, E. L. Pease, John H. Price, F. W. Ross.

Earnings Record—

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1920	$1,000,000	$201,297	20.1	10
1921	1,000,000	201,977	20.1	10
1922	1,000,000	220,943	22.0	12
1923	1,000,000	239,515	23.9	12
1924	1,000,000	254,349	25.4	12
1925	1,000,000	273,329	27.3	15
1926	1,000,000	293,018	29.3	16
1927	1,000,000	336,195	33.6	17

*Income tax and subscription to hospital deducted.

NATIONAL TRUST COMPANY, TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$4,968,892	$5,401,451
Savings deposits	6,681,248	9,007,069
	$11,650,140	$14,408,520
Estates, Etc.—		
Estates, Trusts and agencies	$140,936,059	$160,716,261
Company Funds—		
Capital	$2,250,000	$3,000,000
Reserves	2,250,000	3,000,000
Undiv. profits	186,891	52,495
	$4,686,891	$6,052,495

Officers—
Sir J. Flavelle, pres.; E. R. Wood, W. E. Rundle and H. C. Cox, vice-pres's.; J. C. Breckenridge, gen. supt.; F. R. Mackelcan, counsel, corporate trust dept.: D. H. Cooper, supt. western branches; W. M. O'Connor, mgr., Toronto; J. M. Macdonnell, mgr., Montreal; E. Cassidy, mgr., Hamilton; A. S. Bond, mgr., Winnipeg; J. D. Gunn, mgr., Saskatoon; A. E. Scrase, mgr., Edmonton; F. B. Poucher, mgr. real estate dept.; W. G. Davidson, sec.; C. Huckvale, treas.; G. L. Elliott, trust officer; H. A. Clarke, estates mgr.; W. N. Simpson, transfer officer.

Directors—
Hon. Sir E. Kemp; H. H. Fudger; H. B. Walker; J. H. Plummer; Hon. F. H. Phippen; H. J. Fuller; W. M. Birks; E. M. Saunders; Sir John Aird; James Ryrie; Rt. Hon. Sir T. White; H. E. Walker; Miller Lash; A. McT. Campbell; K. Mackenzie; G. W. Allen; E. Fitzgerald; L. McCarthy; Carl Riordon; W. H. McWilliams; G. W. McLaughlin; W. G. Morrow; C. A. Birge; F. F. Dalley; T. C. Haslett; D'Arcy Martin; C. S. Wilcox; W. Molson; Lt-Col. W. Legatt; J. A. Richardson.

Earnings Record—

Year	Paid-up Capital	xProfits	Earned p.c.	Div. Rate
1918	1,500,000	239,784	15.9	10
1919	1,500,000	247,440	16.4	10
1920	2,000,000	234,025	14.0	11
1921	2,000,000	276,865	13.8	12
1922	2,000,000	276,598	13.8	12
1923	2,000,000	286,660	14.3	12
1924	2,250,000	*296,493	13.1	12
1925	2,250,000	315,620	14.0	12
1926	2,250,000	339,625	15.0	12
1927	3,000,000	434,445	14.4	12+1

*Includes $109,386 paid for remodeling head office premises.
x Less taxes.

NOVA SCOTIA TRUST CO., HALIFAX

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$614,391	$835,337
Estates, Etc.—		
Estates, Trusts and agencies	$2,809,552	$2,884,148
Company Funds—		
Capital	$351,700	$353,800
Reserves	60,000	70,000
Undiv. profits	11,934	12,679
	$423,634	$436,479

Officers—
M. S. Clarke, pres.; B. P. Saunders, vice-pres.; T. W. Murphy, K.C., vice-pres.; R. W. Elliott, man. dir.; G. R. Harrison, sec.

Directors—
All of the above and Hon. C. T. Daniels, L. A. Lovett, K.C., J. G. Farquhar, Hon. W. Chisholm.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1923	$325,400	$21,825	7.5	7
1924	331,000	23,259	7.1	7
1925	351,700	23,479	7.0	7
1926	351,700	33,446	9.5	7
1927	353,800	35,438	10.1	7

*After deducting fees, taxes and amount written off.

NORTHERN TRUSTS CO., WINNIPEG

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$2,591,908	$2,647,313
Estates Etc.—		
Estates	$14,904,202	$13,969,294
Trusts & agencies	3,002,444	1,839,649
	$17,906,646	$15,808,943
Company Funds—		
Capital	$1,500,000	$1,500,000
Reserves	100,000	100,000
Undiv. profits	174,174	216,258
	$1,774,174	$1,816,258

Officers—
G. F. Galt, pres.; R. T. Riley, vice-pres.; C. S. Riley, man. dir.; J. H. Riley, mgr.; M. J. Marshall, treas.; W. Milton, sec.

Directors—
G. F. Galt, R. T. Riley, C. S. Riley, Sir James Aikens, K.C., LL.D., G. W. Allan, K.C., D. K. Elliott, C. C. Ferguson, R. J. Gourley, G. V. Hastings, Alex. Macdonald, W. H. Malkin, J. Robinson, F. W. Stobart, O.B.E., J. H. Turnbull, R. R. Wilson.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1920	$1,500,000	$136,448	9.0	8
1921	1,500,000	130,910	8.7	8
1922	1,500,000	133,215	8.8	8
1923	1,500,000	104,141	6.9	8
1924	1,500,000	56,446	3.7	3
1925	1,500,000	69,848	4.6	.
1926	1,500,000	90,076	6.0	4
1927	1,500,000	102,083	6.8	4

THE OCCIDENTAL TRUST CO., WAWANESA, MAN.

Liabilities—	1926	1927
Company Funds—		
Capital	$116,315	$120,650
Undiv. profits	43,778	51,977
	$160,093	$172,627

Officers—
R. Wallace, pres.; S. H. Henderson, vice-pres.; C. M. Vanstone, man. dir.; E. L. McDonald, treas.

Directors—
The above and S. Reid, A. J. Elliott, G. H. Stephens.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1924	$115,690	$7,340	6.3	5
1925	115,690	6,675	5.7	5
1926	116,315	6,943	5.9	5
1927	120,650	13,924	11.5	5

PREMIER TRUST CO., LONDON

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$142,479	$173,516
Other	......	2,465
	$142,479	$175,981
Estates, Etc.—		
Estates, Trusts and agencies	$745,091	$902,816
Company Funds—		
Capital	$160,000	$170,000
Reserves	15,000	15,000
Undiv. profits	561	1,704
	$175,561	$186,704

Officers—
J. Gray, pres.; W. J. Stevenson, 1st vice-pres.; W. Boug, 2nd vice-pres.; A. A. Campbell, gen. mgr.; Wm. Spittall, sec. treas.

Directors—
J. D. Anderson; W. Boug, Lt.-Col. A. A. Campbell; Lt.-Col. W. G. Coles; Dr. J. Dearness; J. Gray; A. M. Hamilton; Wm. Heaman; H. Lendon; F. G. McAlister; M. McGugan; A. W. Peene; W. R. Roome; Lt.-Col. Wm. Spittal; Dr. W. J. Stevenson.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1923	139,857	8,607	6.2	5½
1924	148,293	8,869	6.0	5½
1925	160,000	8,037	5.0	5½
1926	160,000	8,565	5.3	5½
1927	170,000	9,943	5.8	5½

PRUDENTIAL TRUST CO., MONTREAL

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$ 2,781	$ 490
Estates, Etc.—		
Estates, Trusts and agencies	$4,807,255	$4,033,332
Company Funds—		
Capital	$711,756	$748,710

Officers—
B. Hal. Brown, pres.; F. S. Taylor, sec.-treas.

Directors—
B. Hal. Brown, Paul Galibert, Ralph Locke.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$686,915	$2,342	0.3	-
1924	686,915	4,260	0.6	.
1925	686,915	823	0.1	.
1926	711,756	85,623	12.0	-
1927	748,710	6,303	0.8	-

ROYAL TRUST CO., MONTREAL

Liabilities—	1926	1927
Guaranteed Funds:		
Invest. receipts	$ 1,177,291	$ 1,760,499
Other	1,330,824	2,470,755
	$ 2,508,115	$ 4,231,254
Estates, etc.—		
Est. and trusts	$254,021,234	$276,430,987
Safe cust. acct.	118,614,615	117,575,502
	$372,635,849	$394,006,489
Company Funds—		
Capital	$ 1,000,000	$ 1,000,000
Reserves	2,000,000	2,000,000
Undiv. profits	538,620	701,138
	$ 3,538,620	$ 3,701,138

Officers—
Sir V. Meredith, pres.; H. R. Drummond, vice-pres.; H. B. Mackenzie, gen.-mgr.

Directors—
Sir Vincent Meredith, Bart.; Lieut.-Col. H. Molson, C.M.G., M.C., Hon Sir Lomer Gouin, K.C.M.G.; W. McMaster, Hon. C. C. Ballantyne, Huntly R Drummond, A. E. Holt, N. J. Dawes, Major-Gen. the Hon. S. C. Mewburn, C.M.G., Hon. H. Cockshutt, Sir C. Gordon, G.B.E., E. W. Beatty, K.C., Sir F. Williams-Taylor, Hugh A. Allan, C. W. Dean, Eugene Lafleur, K.C., W. M. Stewart, Ross H. McMaster.

SASKATCHEWAN GENERAL TRUSTS CORP., REGINA

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$4,242,594	$4,210,271
Company Funds—		
Capital	$184,433	$187,863
Reserves	85,000	85,000
Undiv. profits	5,508	294
	$274,941	$273,157

Officers—
G. H. Barr, K.C., pres.; W. Wilson, vice-pres.; P. S. Stewart, sec.; R. W. Lampman, gen mgr.

Directors—
G. H. Barr, K.C., W. Wilson, P. S. Stewart, W. H. Duncan, D. Low, C. Willoughby, Regina; W. T. Mollard, Victoria; J. A. M. Patrick, K.C., Yorkton; R. B. Roath, Willow Bunch; J. C. Paper, Stony Beach.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$173,716	$11,659	6.8	6
1924	175,914	12,860	7.3	6
1925	178,412	15,185	8.5	6
1926	184,433	19,830	10.8	6
1927	187,863	19,674	10.5	6

SASK. MORTGAGE & TRUST CORPORATION, REGINA

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$ 18,834	$ 5,832
Estates, Etc.—		
Estates, Trusts and agencies	$1,069,498	$ 716,213
Company Funds—		
Capital	$ 834,960	$ 835,931
Reserves	100,000	100,000
Undiv. profits	6,312	5,017
	$941,272	$940,948

Officers—
A. E. Whitmore, pres.; F. A. Darke, vice-pres.; R. A. Kirkwood, mgr. and sec.

Directors—
The above and S. C. Burton, S. P. Grosch, K.C., F. G. England, R. McGillivray, F. J. James, E. E. Poole, P. H. Gordon, Regina; A. G. Rawlinson, Qu'Appelle.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1923	$831,939	$22,134	2.8	4
1924	833,875	4,260	0.5	.
1925	832,974	30,611	3.6	.
1926	834,960	43,624	5.2	5
1927	835,931	42,575	5.1	5

THE SHERBROOKE TRUST COMPANY, SHERBROOKE

Liabilities—	1926	1927
Guaranteed Funds—		
Savings deposits	$694,953	$765,432
Other	197,650	225,096
	$892,603	$990,528
Estates, Etc.—		
Estates	$1,673,321	$1,758,369
Company Funds—		
Capital	$250,000	$250,000
Reserves	100,000	115,000
Undiv. profits	5,986	3,576
	$355,986	$368,576

Officers—
W. A. Hale, pres.; N. Dunning, vice- pres.; P. M. Robins, sec.-treas.; R. N. Robins, asst. sec.-treas.; R. Du Berger, asst. sec.-treas.

Directors—
W. A. Hale, N. Dinning, J. MacKinnon, D.C.L., H. E. Goodhue, J. E. McCrea, Hon. J. Nicol, K.C., C. Picard, N.P.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1922	$250,000	$22,552	9.6	6
1923	250,000	24,518	9.8	6
1924	250,000	26,143	10.4	6
1925	250,000	28,895	11.5	6
1926	250,000	29,986	11.9	6
1927	250,000	32,402	12.9	6

*Less provision for income tax.

OSLER & NANTON TRUST CO., WINNIPEG

Liabilities—	1926	1927
Estates, Etc.—		
Estates and Trusts	$3,535,905	$3,372,353
Company Funds—		
Capital	$ 650,000	$ 650,000
Reserves	109,556	115,276
	$759,556	$765,276

The capital stock is controlled by Osler, Hammond & Nanton.

Officers—
Osler, Hammond & Nanton, Winnipeg, gen. mgrs.

(Continued on page 19)

Charles Gurd Begins Work on New Plant

From Our Own Correspondent

MONTREAL—Charles Gurd and Company's business has grown to such an extent that work on a new plant has begun at St. John's, Quebec. It will be ready for operation early in June, says the Financial Counsel. Reports of the company's volume of business are encouraging and show a large percentage of increase for the current year to date. The company is developing its business substantially in the Ottawa and Quebec territories and good progress is reported from the Maritime provinces.

REGAL BAKERIES

Output of the Regal Bakeries continues on the upgrade, with a record production for the five and a half months ended March 17th last, this period showing a production increase of 133 per cent. over corresponding period last year.

HEAVY SAILING SEASON

A total of 206 passenger sailings for the season this year are contemplated by the three passenger lines plying to Europe from Montreal, 20 vessels apparently being engaged in the trade.

Impressive Growth

—through Service

	Earnings	Reserve Fund	Total Assets
1924	$41,499.28	$ 50,000.00	$5,261,329.51
1925	48,065.94	75,000.00	6,248,947.82
1926	54,547.86	90,000.00	7,196,141.30
1927	57,005.60	100,000.00	8,185,963.41

Equipped to handle efficiently any business entrusted to it.

THE
STERLING
TRUSTS
CORPORATION

Chas. Bauckham, Managing Director
10-12 King Street East, Toronto
BRANCH: REGINA

THE TORONTO MORTGAGE CO.

13 TORONTO STREET, TORONTO

THOMAS H. WOOD, President
A. M. M. KIRKPATRICK, Vice-President
WALTER GILLESPIE, Manager

Present Cash Value of Total Assets - - $3,681,300.00
Surplus, Over all Liabilities to Public - - $1,649,500.00

4% *Allowed on Savings Deposits, Withdrawable by Cheque.*

5% *Paid on Debentures in all Denominations for two to five years.*
LEGAL INVESTMENT FOR TRUST FUNDS

First Mortgage Money to Loan on modern solid brick dwellings, in good residential districts. Prompt service.

Crown Trust Company

Executors - Trustees - Financial Agents

SUBSCRIBED CAPITAL . . . $1,000,000
PAID-UP CAPITAL . . . 980,560
RESERVE FUND . . . 300,000

BOARD *of* DIRECTORS

WILLIAM I. GEAR, *President*
ARTHUR LYMAN, *Vice-President*

GERALD W. BIRKS — EDWARD C. PRATT
F. G. DANIELS — J. A. MANN, K.C.
A. O. DAWSON — R. W. REFORD
H. B. HENWOOD — IRVING P. REXFORD
ARTHUR J. HODGSON — JAMES G. ROSS
JOHN JENKINS — JOHN W. ROSS
H. M. LAMBERT — ARNOLD WAINWRIGHT, K.C.
ARTHUR B. WOOD

IRVING P. REXFORD, *General Manager*
W. HESPELER JACKSON, *Assistant Manager*

Enquiries regarding the Company's services, either by interview or correspondence, are cordially invited.

OFFICES and SAFETY DEPOSIT VAULTS
233 ST. JAMES STREET :: MONTREAL

THE

Nova Scotia Trust Company

HALIFAX, CANADA

General Financial Statement

CAPITAL ACCOUNT

LIABILITIES

Capital Paid Up	$ 353,800.00
Reserve Fund	70,000.00
Reserve for Depreciation and Taxes	8,841.65
Profit and Loss	12,679.38
	$ 445,321.03

ASSETS

Cash on hand and in Banks	$ 2,533.30
Hollis Street Building	35,000.00
Investments and Interest Accrued	252,347.52
Furniture and Fixtures	1,644.87
Loans secured by Collateral	95,539.58
Advances to Trusts	47,270.72
Accounts Receivable	1,489.91
Real Estate held for Sale	9,495.13
	$ 445,321.03

RESERVE ACCOUNT

Balance Forward February 28th, 1927	$ 60,000.00
Transferred Profit and Loss	10,000.00
	$ 70,000.00

TRUSTS

CR.

Estates, Trusts and Agencies under administration	$2,884,148.90
Guaranteed Investments	835,337.62
	$3,719,486.52

DR.

Estates, Trusts and Agencies Under Administration		
Mortgages, Bonds, etc.	$2,617,645.97	
Properties	265,716.78	
Cash in Savings Banks	786.15	
		2,884,148.90
Guaranteed Investments		
Dominion of Canada and Municipal Bonds	$ 63,798.00	
First Mortgages	711,762.72	
Cash on hand and in Banks	59,776.90	
		835,337.62
		$3,719,486.52

PROFIT AND LOSS ACCOUNT

Dr.		Cr.	
Dividend No. 22	$12,309.50	Balance Feb. 28, 1927	$11,934.38
Dividend No. 23	12,383.00	Net Profits after providing for expenses of Management	45,890.94
Auditors' and Directors' fees	2,800.00		
Dom. and Prov. taxes	3,095.68		
Written off Furniture and Building	1,057.76		
Trans. Reserve for Deprec. and Taxes	3,500.00		
Trans. to Reserve Fund	10,000.00		
Balance Forward	12,679.38		
	$57,825.32		$57,825.32

R. W. ELLIOT, Managing Director. G. R. HARRISON, Secretary.
AUDITED AND VERIFIED:
G. G. DUSTAN, Chartered Accountant, Auditor.
Halifax, N.S., March 20th, 1928.

CREDIT FONCIER FRANCO-CANADIEN

(ESTABLISHED 1880)

Capital, 50 Million Francs

Assets $52,000,000 — Reserves $17,000,000

Loans on First Mortgage
Agreements of Sale Purchased
Progressive Loans to Builders

R. DE ROUMEFORT
General Manager

J. THEO. LECLERC
Manager

MARCEL PASQUIN
Manager

ARMAND CHEVALIER
General Secretary

Head Office — Montreal

BRANCHES: QUEBEC TORONTO WINNIPEG REGINA EDMONTON VANCOUVER

ADMINISTRATION AND TRUST COMPANY

(Société d'Administration et de Fiducie)
formerly

The General Administration Society

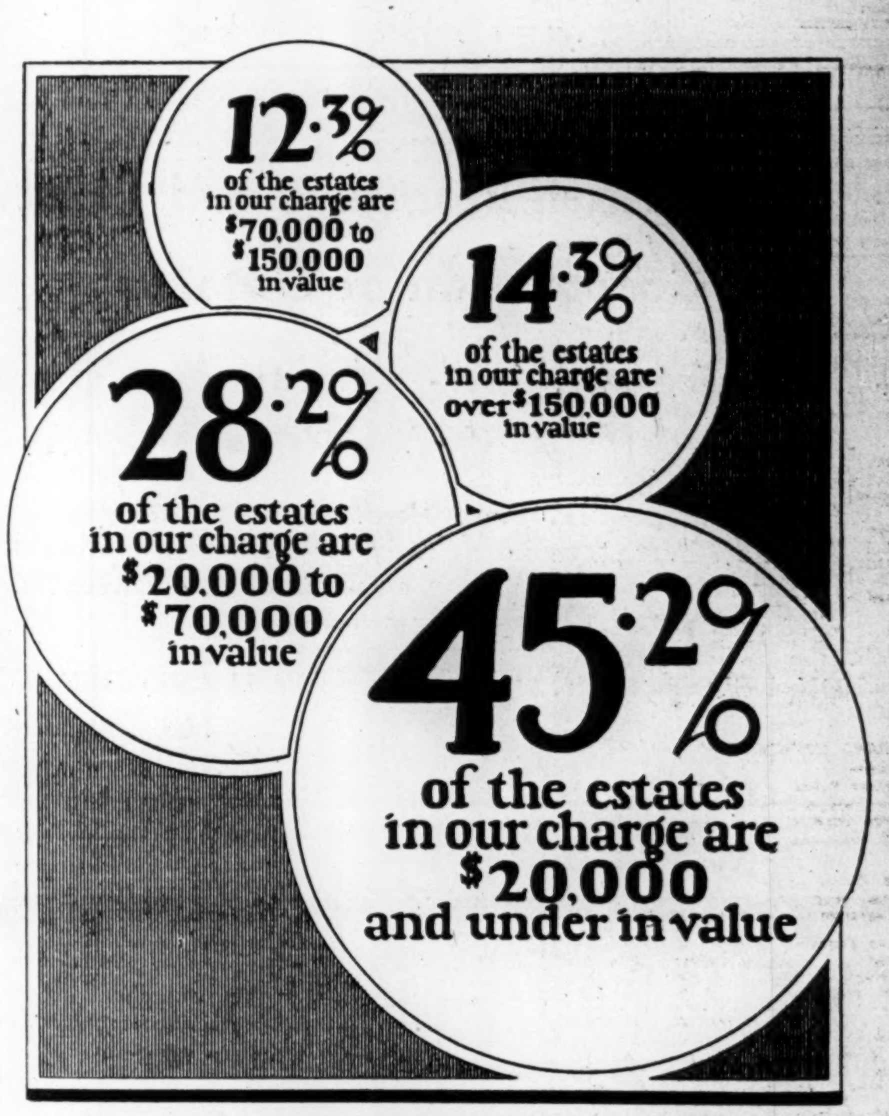
(La Société d'Administration Générale)

EXECUTORS AND TRUSTEES

HON. SIR H. LAPORTE, *President*
J. THEO. LE CLERC, *General Manager*

Branches: QUEBEC, WINNIPEG, REGINA, EDMONTON, VANCOUVER

HEAD OFFICE — MONTREAL
35 St. James Street



For Estates of ALL SIZES

National Trust Company acts as Executor

Assets under Administration $181,000,000

20 King Street East

DURANT MOTORS REPORT REVEALS STRONG POSITION

Profits Show Increase — Cash Position Improved in Past Year

Substantial increase in profits, a more liquid financial condition, and announcement of a definite dividend basis for the shares in 1928,—these are features of the annual meeting of Durant Motors of Canada held this week.

The net result from operations was a profit of $396,691 before tax allowance, against $234,592 a year ago; or net profits after taxes of $357,536 against $210,592 in 1926, the actual gain being nearly 70 per cent. over previous years.

Out of the healthy 1927 profits, which totaled more than 12 per cent. on the share capitalization, the company set aside $113,888 to pay dividends this year on the stock at the rate of 4 per cent.; and there was added to the profit and loss surplus $243,646, the total surplus now standing at $377,228 against $133,581 at end of 1926 and a loss of $77,013 in 1925.

Current Assets Large

Cash assets show a very large gain while inventories and stocks on hand have been reduced, resulting in a strong liquid position for the company at the commencement of another operating year. Cash on hand and in bank is increased from $869,792 to $1,824,600, and total current assets are up from $1,709,940 to $2,529,113. Current liabilities amount to $327,826 compared with $195,209. Inventories are down from $581,696 to $388,098.

Concerning inventories, President W. C. Durant says:

"The inventory of material and supplies has been considerably reduced during the year, and at this date, after having made full provision for depreciation and obsolescence, stands on the books at $388,098. We have, however, always maintained sufficient material on hand to enable us to take care of production in accordance with sales demand."

Land buildings and equipment, which are free from mortgages liens or indebtedness of any kind, are valued slightly higher than a year ago up from $1,791,509 to $1,822,774; but depreciation reserve on this account stands at $477,304 against $322,280, thus reducing net charged value of land, buildings and plant from $1,459,229 to $1,345,469.

Concerning the dividend, Mr. Durant emphasized the fact that the stock is now on a definite dividend paying basis. He said in part:

"Your company has now completed its sixth year of operation, and on looking back over this period your directors feel a great deal of satisfaction in the position in which your company now stands, as one of the foremost producers of automobiles in the Dominion of Canada, both for home consumption and export, and also in the fact of your company being brought up to a dividend-paying position."

Following is a comparison of earnings:

INCOME AND SURPLUS ACCOUNT

Years Ending Dec. 31

Net earn.	$396,691	$234,592	*$20,883
Less: Tax res.	39,155	24,000	......
Net profits	357,586	210,592	*20,883
Add net adj.	......	......	3,921
Dividends	113,888	......	......
Surp. for year	243,648	210,592	*16,962
Prev. surp.	133,581	*77,011	*60,049
Bal. car. for.	377,229	133,581	*77,011

*Deficit.
†For 10 months.

Canadian Trust Companies

THE STANDARD TRUSTS COMPANY, WINNIPEG

Liabilities—	1926	1927
Guaranteed Funds—		
Savings deposits ...	$ 620,884	$ 664,168
Other	511,476	484,088
	$1,132,360	$1,148,256
Estates, Etc.—		
Estates, Trusts and agencies	$10,807,348	$10,194,228
Company Funds—		
Capital	$1,000,000	$1,000,000
Reserves	250,000	250,000
Undiv. profits	42,626	29,384
	$1,292,626	$1,304,384

Officers—
M. Bull, pres.; Wm. Harvey, man. dir., and vice-pres.; Dr. E. S. Popham, vice-pres.; M. W. L. Murray, sec.-treas.

Directors—
M. Bull; J. A. Girvin; W. Harvey; Wm. Martin; W. A. Matheson; R. G. Persse; Dr. E. S. Popham; C. D. Stovel.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1923 ...	1,000,000	26,027	2.6	..
1924 ...	1,000,000	30,124	3.0	..
1925 ...	1,000,000	36,376	3.6	..
1926 ...	1,000,000	40,075	4.0	..
1927 ...	1,000,000	41,757	4.1	3

STERLING TRUSTS CORP., TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$31,922	$93,318
Savings deposits ...	24,507	34,819
Other	457	1,390
	$56,886	$129,527
Estates, Etc.—		
Estates, Trust and agencies	$6,432,058	$7,325,019
Company Funds—		
Capital	$ 582,798	$599,123
Reserves	90,000	100,000
Undiv. profits	7,450	9,511
	$680,248	$708,634

Officers—
W. H. Wardrope, K.C., pres.; A. W. Briggs, K.C., N. Somerville, K.C., C. Bauckham, vice-pres's.; J. R. Lovatt, sec.; Wm. C. McBrien, mgr. real estate dept.; L. Johnson, mgr., Regina branch.

Directors—
W. H. Wardrope, Hamilton; A. W. Briggs, Toronto; N. Somerville; C. Bauckham; J. Hallam; H. P. Kennedy; C. H. Burgess, Toronto; J. W. Scott, Listowel; Dr. J. W. Rutherford, Chatham; N. Jeffrey, Guelph; W. A. Boys, Barrie; L. Johnson, Regina.

Earnings Record—

Year	Paid-up Capital	xProfits	Earned p.c.	Div. Rate
1921	501,302	11,756	2.3	..
1922	509,716	31,452	6.2	..
1923	568,019	32,096	6.5	6
1924	575,010	35,343	6.2	6
1925	579,298	41,985	7.2	6
1926	582,798	47,966	8.2	6
1927	599,122	50,264	8.3	6

x Less taxes.

SUN TRUST COMPANY MONTREAL

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$19,846,441	$31,967,264
Company Funds—		
Capital	$ 250,000	$ 250,000
Undiv. profits	50,126	68,808
	$300,126	$318,808

Officers—
Hon. J. L. Perron, C. R., pres.; Hon. A. Galipeault, C. R., 1st vice-pres.; A. Hudon, 2nd vice-pres.; J. C. Gagne, 3rd vice-pres.; A. Gagne, gen. mgr.; J. Perron, sec.; C. Fournier, treas.

Directors
J. C. Hebert, N.P., C. G. De Tonnancour, R. Dufresne, J. A. Simard, A. Vallee, C. R., J. P. Laporte Hon. R. O. Grothe, O. Dufresne, J. A. E. Gauvin, C. Delagrave.

Profit and Loss—

	1927
Earnings	$34,069
Tax reserve	2,777
Dividends	12,609
Surplus	18,683
Prev. surplus	50,126
Total surplus	$68,809

TRUST GENERALE DU CANADA, MONTREAL
formerly
(Crédit Générale du Canada)

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$	$254,155
Estates, Etc.—		
Estates, Trusts and agencies	$	$2,771,386
Company Funds—		
Capital	$38,500	$38,500
Undiv. profits	3,540	6,647
	$42,040	$45,147

Officers—
Hon. F. L. Beique, pres.; J. A. Vaillancourt, vice-pres.

Directors—
Hon. F. L. Beique, Montreal; Hon. J. M. Wilson, Montreal; J. A. Vaillancourt, Beaudry Leman, Outremont; A. A. Larocque, Westmount.

TRUSTS AND GUARANTEE CO., TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$5,051,775	$5,221,539
Savings deposits ...	1,183,399	1,570,069
	$6,235,174	$6,791,608
Estates, Etc.—		
Estates, Trusts and agencies	$25,419,359	$26,749,449
Company Funds—		
Capital	$1,442,878	$1,801,349
Undiv. profits	156,662	172,059
	$1,599,535	$1,973,408

Officers—
J. J. Warren, pres.; W. D. Bell and J. H. Adams, vice-pres's.; E. B. Stockdale, gen. mgr.; C. S. Hamilton, asst. to gen. mgr.; H. A. Howard, mgr. Alberta branch, Calgary; W. J. Mackellar, mgr. Windsor branch; R. W. Roberts, mgr. Brantford branch.

Directors—
J. H. Adams, H. Begg, A. M. Ivey, D. J. McDougald, F. K. Morrow, A. L. Smith, E. B. Stockdale, J. J. Warren, all of Toronto; W. D. Bell, Chesley; Hon. A. C. Flumerfelt, Victoria; H. A. Howard, Calgary; Col. S. C. Robertson, Walkerville; J. Ruddy, Brantford; Col. E. Wigle, Windsor.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1920 ...	$1,409,109	$111,975	8.0	6
1921 ...	1,410,660	100,148	7.1	6
1922 ...	1,427,443	97,637	7.0	6
1923 ...	1,429,709	96,282	6.7	6
1924 ...	1,431,061	97,458	6.8	6
1925 ...	1,438,257	93,852	6.5	6
1926 ...	1,442,873	x147,748	10.2	6
1927 ...	1,801,349	109,264	7.0	6

xBefore deducting taxes.

TORONTO GENERAL TRUSTS CORP., TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts ..	$14,273,780	$15,158,673
Estates, Etc.—		
Estates, Trusts and agencies	$140,705,164	$149,729,164
Company Funds—		
Capital	$2,000,000	$2,000,000
Reserves	2,600,000	2,600,000
Undiv. profits	136,459	228,831
	$4,736,459	$4,828,831

Officers—
Hon N. W. Rowell, K.C., pres.; Major-Gen. Sir J. M. Gibson, C. S. Blackwell, E. T. Malone, K.C., vice-pres's.; W. G. Watson, gen. mgr.; H. M. Forbes, asst. gen. mgr.; J. W. Burgess, sec.; J. W. Langmuir, J. A. H. Burt, asst. secs.; J. Lang, mgr. estates dept.; T. J. Maguire, mgr., Toronto office.

Directors—
Hon. N. W. Rowell; Sir J. M. Gibson; C. S. Blackwell; E. T. Malone; J. G. Scott; Hon. A. C. Hardy; J. B. Macdonald; Lt.-Col. R. W. Leonard; Col. J. F. Michie; Hon. D. H. McMillan; H. H. Williams; T. Bradshaw; W. L. Matthews; A. H. Campbell; F. Barry Hayes; S. J. Moore; Isaac Pitblado; A. MacLaren; P. J. Mylor; W. W. Near; A. Matthews; A. E. Phipps; C. S. MacInnes.

Earnings Record—

Year	Paid-up Capital	xProfits	Earned p.c.	Div.
1920 ...	$1,726,960	$287,646	19.1	11+1
1921 ...	2,000,000	271,806	15.1	12
1922 ...	2,000,000	183,969	9.1	12
1923 ...	2,000,000	299,326	14.9	12
1924 ...	2,000,000	273,690	13.6	12
1925 ...	2,000,000	317,016	15.8	12
1926 ...	2,000,000	342,079	17.1	12
1927 ...	2,000,000	401,158	20.0	12

x After deducting taxes and amount written off.

UNION TRUST COMPANY, TORONTO

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$3,123,599	$3,031,489
Savings deposits	1,390,163	1,433,865
Other	161,039	147,415
	$4,674,801	$4,612,769
Estates, Etc.—		
Estates, Trusts and agencies	$7,831,324	$7,930,435
Company Funds—		
Capital	$1,000,000	$1,000,000
Reserves	600,000	600,000
Undiv. profits	123,567	151,450
	$1,723,567	$1,751,450

Officers—
H. F. Gooderham, pres.; J. H. McConnell, vice-pres.; W. C. Laidlaw, sec.-treas.

Directors—
The above and Mark Bredin, J. B. Laidlaw, S. R. Parsons, W. H. Smith, A. P. Taylor, Toronto; H. H. Beck, Victoria.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1922 ...	$1,000,000	$95,773	9.5	7
1923 ...	1,000,000	92,166	9.2	7
1924 ...	1,000,000	93,863	9.3	7
1925 ...	1,000,000	98,619	9.8	7
1926 ...	1,000,000	101,082	10.1	7
1927 ...	1,000,000	107,883	10.7	7+1

* Taxes and amount written off deducted.

VICTORIA TRUST AND SAVINGS CO., LINDSAY

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$2,862,635	$3,233,965
Savings deposits	1,527,699	1,697,584
	$4,390,334	$4,931,549
Estates, Etc.—		
Estates	$ 49,786	$ 148,424
Company Funds—		
Capital	$800,000	$ 800,000
Reserves	600,000	650,000
Undiv. profits	14,846	17,767
	$1,414,846	$1,467,767

Officers—
W. Flavelle, pres.; R. J. McLaughlin, K.C., W. H. Clarke, W. H. Stevens, vice-pres's.; C. E. Weeks, man. dir.; N. Smale, asst. mgr.

Directors—
W. Flavelle, R. J. McLaughlin, W. H. Clarke, W. H. Stevens, T. H. Stimson, K.C., H. J. Lytle, W. Walden, J. B. Begg, C. E. Weeks.

Earnings Record—

Year	Paid-up Capital	*Profits	Earned %	Div.
1922	$742,085	$101,810	14.0	9
1923	800,000	82,683	10.7	9
1924	800,000	97,308	12.1	9
1925	800,000	105,015	13.1	9
1926	800,000	110,431	13.8	9
1927	800,000	124,921	15.6	9

* Reserve for Federal taxes, and amount written off premises deducted.

THE WATERLOO TRUST & SAVINGS CO., WATERLOO, ONT.

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$2,012,930	$2,513,344
Savings deposits ...	2,404,005	2,905,880
	$4,416,935	$5,419,224
Estates, Etc.—		
Estates, Trusts and agencies	$851,490	$1,113,978
Company Funds—		
Capital	$750,000	$750,000
Reserves	225,000	255,000
Undiv. profits	2,128	5,008
	$977,128	$1,010,008

Officers—
T. Hilliard, pres.; E. F. Seagram, 1st vice-pres.; F. S. Kumpf, 2nd vice-pres.; P. V. Wilson, man. dir.

Directors—
T. Hilliard; E. F. Seagram; F. S. Kumpf; H. Knell; H. J. Sims; P. R. Hilborn; W. L. Hilliard; T. Seagram; G. A. Dobbie; L. L. Lang; F. Halstead; G. D. Forbes; J. H. Gundy; P. V. Wilson.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1920	638,764	56,995	9.1	6
1921	674,295	54,637	8.4	6
1922	707,920	57,672	8.3	6½
1923	729,685	62,657	8.7	6½
1924	750,000	63,482	8.5	6½
1925	750,000	63,382	9.1	6½
1926	750,000	73,639	9.8	6½
1927	750,000	81,630	10.8	6½

x Income tax deducted.

WESTERN TRUST CO., WINNIPEG

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$693,836	$757,580
Estates, Etc.—		
Estates, Trusts and agencies	$1,116,691	$1,137,374
Company Funds—		
Capital	$1,005,000	$1,005,000
Reserves	250,000	250,000
Undiv. profits	107,315	141,236
	$1,362,315	$1,396,236

Officers—
A. L. Adamson, pres.; R. Johnston, vice-pres.; C. A. Adamson, man. dir.

Directors—
A. L. Adamson; R. Johnston; Dr. J. K. McKennan, Monrvai, Cal.; J. A. Thompson, Vancouver; G. R. Whitmore, Regina; Hon. J. G. Turriff, Ottawa; C. A. Adamson; W. G. McMahon, W. P. Fess, W. Martin Jr.

Earnings Record—

Year	Paid-up Capital	xProfits	Earned p.c.	Div. Rate
1920 ...	1,005,000	81,894	8.1	6
1921 ...	1,005,000	78,125	7.8	6
1922 ...	1,005,000	69,814	6.9	6
1923 ...	1,005,000	62,358	6.2	3
1924 ...	1,005,000	54,593	5.4	6
1925 ...	1,005,000	37,947	3.7	4
1926 ...	1,005,000	57,921	5.7	4
1927 ...	1,005,000	74,120	7.4	4

x After deducting provision for income tax.

WINNIPEG MERCANTILE TRUST, WINNIPEG

Liabilities—	1926	1927
Estates, Etc.—		
Estates, Trusts and agencies	$150,235	$164,997
Company Funds—		
Capital	$109,330	$112,300
Reserves	15,000	15,000
Undiv. profits	5,337	5,923
	$129,667	$133,223

Officers—
H. L. Willson, pres.; W. M. Crichton, vice-pres.; A. P. Cameron, mgr.

Directors—
H. L. Willson, W. M. Crichton, J. H. G. Russell, J. Crichton, J. L. Bathgate, T. J. Lytle, H. M. Agnew.

Earnings Record—

Year	Paid-up Capital	Profits	Earned %	Div.
1922	$105,986	$5,310	5.0	6
1923	106,272	3,919	3.7	4
1924	106,423	2,512	2.3	.
1925	106,423	2,971	2.8	3
1926	109,330	2,604	2.3	3
1927	112,300	3,945	3.5	3

THE WINNIPEG TRUSTEE COMPANY OF CANADA, WINNIPEG

Liabilities—	1926	1927
Guaranteed Funds—		
Invest. receipts	$119,593	$129,626
Other	16,209	10,390
	$135,802	$140,016
Estates, Etc.—		
Estates, Trusts and agencies	$3,524,173	$3,594,548
Company Funds—		
Capital	$151,777	$153,478
Reserves	20,000	20,000
Undiv. profits	4,367	4,447
	$176,144	$177,925

Officers—
W. H. Cross, pres.; H. Chevrier, vice-pres.; M. J. A. M. De La Giclais, sec.-treas. and man. dir.

Directors—
W. H. Cross; H. Chevrier; M. J. A. M. De La Giclais; W. J. Bulman; S. J. Hough; C C. Beubach; L. Honnorat; Dr. J. McKenty.

Earnings Record—

Year	Paid-up Capital	Profits	Earned p.c.	Div. Rate
1921	144,279	10,418	7.2	6
1922	146,762	9,416	6.7	6
1923	149,356	8,704	5.8	5
1924	151,777	6,218	4.1	.
1925	151,777	2,788	1.8	.
1926	151,777	5,928	3.9	4
1927	153,478	6,219	4.0	4

The Canada Permanent Trust Company

OFFERS you the comprehensive service of an organization which has the confidence of a clientele extending from coast to coast. With branches throughout the Dominion, and a board of Directors of wide experience and conservative methods, this company enjoys continued growth in public appreciation.

PAID-UP CAPITAL ONE MILLION DOLLARS

Acts as
Executor, Trustee, Administrator, Guardian, Registrar and Transfer Agent, and in all Trust or Agency Capacities.

Head Office:
CANADA PERMANENT BUILDING, TORONTO

Branch Offices:
Ontario Branch, Toronto.
Oxford County Branch, Woodstock.
Manitoba Branch, Winnipeg.
Brit. Columbia Branches, Vancouver and Victoria.
Brant County Branch, Brantford.
Nova Scotia Branch, Halifax.
New Brunswick Branch, St. John.
Alberta Branch, Edmonton.
Saskatchewan Branch, Regina.

Directors:
W. G. GOODERHAM, *President*
E. R. C. CLARKSON, *1st Vice-President*
GEORGE H. SMITH, *2nd Vice-President and General Manager*
COL. A. E. GOODERHAM
F. GORDON OSLER
WILLIAM MULOCK, K.C.
WILLIAM STONE
GEORGE W. ALLAN, K.C., Winnipeg, Man.
A. B. CAMPBELL, W.S., Edinburgh, Scotland.
NORMAN MACKENZIE, K.C., Regina, Sask.

THE CANADA PERMANENT TRUST Co.
Toronto Street. Toronto.
Manager Ontario Branch • *A. E. HESSIN* 10

Your Guiding Mind

will not always have control of the fortune you have built up, be that fortune large or small. Your first duty to those dependent upon you is to conserve for them the fruits of your labor.

The one best way is to make a will, wisely providing for the future safety of your estate by naming a responsible TRUST COMPANY as Executor and Trustee.

You are invited to discuss the advantages of this action with your lawyer or with our officers.

The Trusts and Guarantee
Company, Limited
TORONTO

THE
ONTARIO LOAN AND DEBENTURE COMPANY
LONDON, ONTARIO

58 Years in Business

Capital Paid Up $1,750,000
Reserve Fund $2,800,000

THE COMPANY'S DEBENTURES ARE A LEGAL INVESTMENT FOR TRUST FUNDS WHICH MAY ALSO BE DEPOSITED IN THE COMPANY'S SAVINGS DEPARTMENT.

Money loaned on first mortgages including building loans.

Applications invited

A. M. SMART, President
T. H. MAIN, Manager

Canada Permanent Mortgage Corporation

Some Interesting Comparisons

	1921	1926	1927
Capital Paid-up	$ 7,000,000.00	$ 7,000,000.00	$ 7,000,000.00
Reserve Fund	7,000,000.00	7,500,000.00	7,500,000.00
Unappropriated Profits	271,136.60	222,529.22	392,131.00
Debentures payable in Canada	4,468,116.13	11,743,297.18	21,146,848.44
Debentures payable in Great Britain	12,547,187.17	13,672,620.07	13,397,720.45
Deposits	6,729,651.00	9,398,689.89	13,149,623.51
Total Assets	39,077,608.12	50,613,510.16	63,661,691.80

Canada's oldest and largest mortgage corporation cordially invites you to avail yourself of the facilities offered by its nation-wide organization when transacting any business of a financial nature.

Head Office: 14-18 Toronto Street, Toronto 2

W. G. GOODERHAM, President
E. R. C. CLARKSON, First Vice-President
GEORGE H. SMITH, Second Vice-President and General Manager

CANADIAN GUARANTY TRUST CO.

Acts as Executor, Administrator, Trustee, Guardian, Agent and in any other Fiduciary capacity.

Official Administrator for the Northern Judicial District in Manitoba and for the Swift Current Judicial District in Saskatchewan.

Head Office: BRANDON, MAN.
JOHN R. LITTLE, Managing Director
Branch Office: Swift Current, Sask.

We go on forever

The Oldest Trust Company in the Maritimes

Incorporated 1893
Paid up Capital $1,000,000

BOARD OF DIRECTORS

President
HON. W. A. BLACK, P.C.M.P.

Vice-Presidents
George H. Murray, K.C.
Hon. F. B. McCurdy, P.C.
H. R. Silver

Directors
Hon. R. G. Beazley, M.L.C.
A. Kirk Cameron
Alex. J. Campbell, K.C.
William H. Chase
J. B. Douglas
H. Carson Flood
Henry J. Hague, K.C.
Hon. C. W. Robinson, K.C.
Hugh Ross, K.C.
Gordon W. Scott
O. E. Smith
Thomas F. Tobin, K.C.

Assets under administration over $41,000,000.
At your service with every Trust Company need.

THE EASTERN TRUST COMPANY
Head Office: Halifax, N.S.

Branches:
Montreal, P.Q., Saint John, N.B., St. John's, Nfld., Charlottetown, P.E.I.

Toronto Savings & Loan Company

437 George Street
PETERBOROUGH

Paid Up Capital - - - $1,000,000.00
Reserve Fund - - - - $1,200,000.00
Total Assets - - - - - $5,343,847.54

BOARD OF DIRECTORS

President — H. C. COX
Vice-Presidents — W. G. MORROW, LEIGHTON McCARTHY, K.C., and G. A. MORROW
E. R. WOOD, E. T. MALONE, K.C., A. H. COX

DEPOSITS RECEIVED of One Dollar and upwards. 4% interest paid half-yearly.

DEBENTURES ISSUED for sums of $100 and upwards in terms of one to five years, bearing special rates of interest, depending upon term of investment.

MONEY TO LOAN at lowest current rates of interest.

W. G. MORROW,
Managing-Director.

THE
ROYAL TRUST COMPANY

Executors and Trustees

Assets Under Administration Exceed
$400,000,000

The extent of the Estate and Trust business administered by this Company is shown in the Table of Investments of the Trust Companies published elsewhere in this issue.

Head Office :: MONTREAL

Branches:
MONTREAL
CALGARY
EDMONTON
HALIFAX
HAMILTON
OTTAWA
QUEBEC
SAINT JOHN, N.B.
ST. JOHN'S, NFLD.
TORONTO
VANCOUVER
VICTORIA
WINNIPEG

TWO GROUPS WOULD OFFER ALGOMA CASH

nvestment Company Steps Into Lake Superior Picture

DIRECTORATE OPPOSE

ir James Dunn Would Have Bondholders Convert Holdings Into His Concern's Stock

Alex. Taylor, of Toronto, secre- ary of Algoma Steel Corp., has oined with other officials of Algoma teel and of Lake Superior Corp. o suggest that holders of Lake uperior and Algoma Bonds do not rrender these securities to the ake Superior Investment Co. for onversion into the preferred stock Lake Superior Investment Co. In dvertisements published this week, ake Superior Investment Co. urged at the best hope of effective reorganization of the Sault Ste. arie industry was in placing the ajority of the outstanding bonds der one control, and that the con- ol of Lake Superior Investment o.

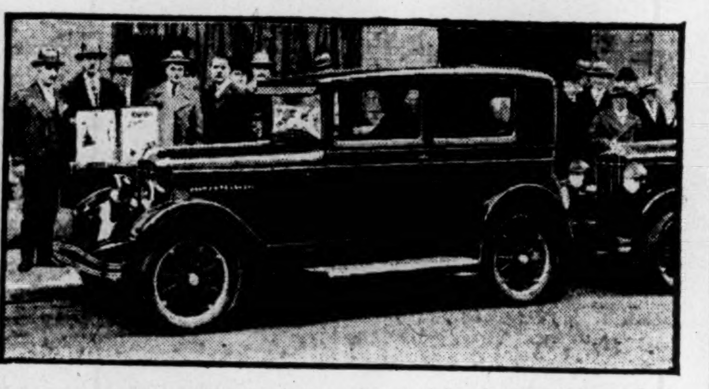
Although no manual of invest- ent contains any reference to Lake uperior Investment Co., it is stated the advertisement that the com- any was incorporated in New ersey in 1908 and that the directors e Sir James Dunn, E. R. Wood, ederick E. Meredith, K.C., Joseph Dale, Frederick H. Amerman, rthur Coppell and Herbert Coppell. is believed that Sir James Dunn the presiding genius of the organ- ation. Sir James is a native of athurst, N. B., but for many years been interested in financial af- irs in England and elsewhere. hile the Lake Superior Corp. and lgoma Steel stock has been, until cently, controlled in Philadelphia. e majority of the bonds were held England except for that portion hich came to Canada when ex- ange was especially favorable.

Predict Further Changes

This suggestion of Lake Superior vestment Co. comes at a time hen control of the Lake Superior rp. and its subsidiary enterprises finitely has passed from the Phila- lphia interests, where it has rest- for many years, to a strong ontreal financial group. In the rrent week, Robert Dodd has be- me formally the head of the en- rprise, Wilfrid H. Cunningham, e former chairman and president, mains on the board as a vice- esident. Associated with Mr. odd on the board of directors is omas Arnold, also of Montreal. is believed that there will be ther changes when the annual eting of the company is held xt summer.

The Lake Superior Investment o.'s advertisement states that, if reorganization is carried out along es approved by it, it will raise $10,000,000 to carry out the improvements recommended by engineers and the operating personnel of Algoma Steel Corp. The Lake Superior Investment Co. states that it has great confidence in the operating executive of Algoma and other enterprises. The head of the operating executive is W. C. Franz, under whose direction many improvements already have been effected at Sault Ste. Marie, looking to converting what was purely a rail mill into a steel-making enterprise of diversified products and wider markets.

Give Car to Fresh Air Camp



Roy D. Kerby, general manager of Durant Motors of Canada, presented, on behalf of the employees of his company, a car to Bolton Fresh Air Camp. Above, the car, a Durant Four, is shown, after the presentation at a Toronto Rotary Club Meeting.

Financing is Probable

Yet while the Lake Superior Investment Co. is ready, under its own terms, to provide the cash necessary for the ambitious programme of Algoma Steel Corp., it is believed that the Montreal financial group associated with Mr. Dodd and Mr. Arnold, also are ready to finance the expansion. Definite plans, as well as progress already made, were revealed in the hydro-election campaign at Sault Ste. Marie last December. Then for the first time it was stated that the programme of expansion would call for expenditure of between $10,000,000 and $15,000,000. Apparently, the executives were sure that the money would be forthcoming when needed, although the reason of this confidence was not evident.

Although the Lake Superior Inventment Co.'s plan has been branded as impracticable by officials of Lake Superior, it is reported that a number of the bondholders already have signified their intention to make the exchange into preferred stock. The question of practicability probably is not a serious one since it is apparent that both the Dodd interests and the Dunn interests are agreed that the work shall be carried out without change in the operating executive or control.

Terms of Exchange

The virtue of the proposed exchange, hence, becomes a question as to whether it would be better to exchange bonds which are, directly or indirectly, definite charges on tangible property, for participating preferred stock in an investment company, the principal assets of which are bonds of the holding and main operating company. Unless the investment company is to have a definite voice in the reorganization of the Sault Ste. Marie enterprise, some holders are inclined to keep their bonds rather than to take up the preferred stock offered in exchange.

For each $1,000 of the Lake Superior Corp. first mortgage and collateral trust 40-year, 5 per cent. bonds, the offer is for 6½ shares of participating preferred stock of the Lake Superior Investment Co., and for each £100 the first and refunding 5 per cent., 50-year sinking fund bonds of Algoma Steel, 3 shares of participating preferred stock of Lake Superior Investment Co. are offered. It is stated that this offer is made on the basis of $650 actual value for the Lake Superior bonds of $1,000 face value, and $300 actual value for each bond of the face value of £100.

This participating preferred stock is of no-par value. It is entitled to a non-cumulative dividend of $5 annually and shares dividends equally with the common after the common has received 50 cents in any one year. The preferred stock is callable at $150 and has preference for assets up to $150 per share in the event of voluntary or other liquidation. The authorized capitalization is 150,000 shares of preferred and 100,000 shares of common stock.

Already Owns Some

Of a total of £3,700,000 (approximately) of Algoma bonds outstanding it is stated that the investment company owns at the date £1,613,586 face value of Algoma bonds, together with upwards of $1,200,000 market value in first-class securities and cash, and it has no indebtedness whatsoever. The Lake Superior Investment Company may, therefore, be said to hold £1,613,586 face value of Algoma bonds, for 48,408 of its outstanding 50,000 shares of participating preferred stock at the aforesaid rate of 3 such shares for each £100 of such bonds, and to hold $159,200 market value in first-class securities and cash for the remaining 1,592 of said shares of participating preferred stock at the aforesaid rate of $100 for each such shares, and in addition to hold for each share of participating preferred stock a pro rata portion of over $1,000,000 market value in first-class securities and cash. It is asserted from the foregoing that, without taking into consideration the probable improvement in the value of the exchanged bonds, due to their ownership being vested in one group, bondholders acquiring the Lake Superior Investment Company participating preferred stock will hold a security more valuable than their bonds.

The Lake Superior Corporation first mortgage and collateral trust forty year five per cent. gold bonds, of which $10,000,000 face value are authorized and $5,278,000 face value are issued and outstanding, are secured by the pledge of $5,800,000 face value of purchase money five per cent. bonds of Algoma Steel Corporation, Limited, which are secured by a first mortgage on a portion of that company's plant and properties. Algoma Steel Corporation, Limited, first and refunding mortgage 5 per cent. 50-year sinking fund gold bonds (herein called the Algoma Bonds), of which $30,000,000 face value are authorized and about $18,500,000 face value are issued and outstanding, are secured by a first mortgage on the major portion of the plant and properties of that company, and by a second mortgage on the remainder of said plant and properties on which the above-mentioned $5,800,000 face value of purchase money five per cent. bonds of Algoma Steel Corporation, Limited, are secured by a first mortgage. The outstanding Algoma bonds are payable, at the option of the holder, in dollars in New York or Montreal or in pounds in London at the fixed rate of exchange of $4.86 2-3 per pound Sterling. All of the issued and outstanding stock of Algoma Steel Corporation, Limited, is owned by the Lake Superior Corporation.

Shows Annual Losses

The published statements of Algoma Steel Corp. show that, without making any provision for general depreciation, the results of its operations after payment of its bond interest for:

1922 loss	$ 831,896.00
1923 loss	581,639.71
1924 loss	23,954,12
1925 loss	1,069,549.33
1926 loss	638,759.66
1927 loss	251,248.74

From these published statements it is evident that since 1921 the interest charges on both issues of bonds of Algoma Steel Corporation, Limited, asserted to be, have been largely met from capital account, resulting in a depletion of current assets by the amount of the unearned interest charges.

The chief product of Algoma Steel Corporation, Limited, is steel rails. The rail mill (although well maintained and last year extended at the expenses of current assets so as to roll rails up to thirty-nine feet in length) has reached its limit and weight of rails rolled, is thirty-five years old, and is fast becoming obsolete. The requirements of the railways are constantly for a heavier rail and in the last few months an important order from a regular customer had to be refused because the mill could not roll the weight required.

Shipping returns show total number of ocean-going deepsea vessels, entered at Vancouver were 1,098 in 1927, compared to 1,029 in 1926.

The lumber cut for British Columbia for 1927 was 1,577,000,000 feet, compared to 1,567,000,000 feet in 1926.

Goodyear Tire Ends Prosperous Six Months; is Best in Its History

Production Has Been on Large and Uniform Basis—Plant is Producing at Rate of 8,600 Casings Per Day at Present Time

Goodyear Tire & Rubber Co., of Canada concludes this month what is stated to be from all viewpoints the most prosperous six-month period in its history. Production has been on an unusually large and uniform basis. Despite the fact that larger casings have been the main requisite and the volume of rubber and labor per tire unit has itself been greater, actual number of tires produced has been without precedent, the New Toronto plant running this month more than 8,600 casings a day. And these averaged considerably larger sizes than heretofore, and are in addition to the huge production of inner tubes necessary to keep line with casings and the heavy casualty replacements usual to inners.

Earnings Satisfactory

While earnings' data are not available, it is understood that profits from operation have been on a satisfactory basis, and the six months' huge production has resulted in earnings as good as in former peak periods. The output of the plants are oversold for a considerable time in advance, and it will require capacity output to anything like keep up, with orders. In fact, there is talk of still further enlarging the recently enlarged plant to take care of demands that are taxing present plant capacity.

The outlook for the company, despite recent raw rubber fluctuations, is stated to be excellent. Writing down of inventories will somewhat affect profits; but with the huge production already sold ahead and the facilities for rapid marketing that the company possesses, there is every reason to expect substantial increase in earnings in the next six months, and an excellent profit return for the entire twelve months.

Goodyear's Record

Goodyear Tire & Rubber has an enviable earnings' record. In 1923 its net earnings available for dividends totaled only $1,032,334; in 1927 these net earnings were more than double at $2,171,391. In the same period surplus increased from $1,559,929 to $4,491,805; working capital nearly increased from $4,332,650 to $7,315,892; and current assets were up from $5,273,688 to $9,013,989.

Following are some comparisons:

INCOME AND SURPLUS ACCOUNT
Years Ending September 30

	1927	1926	1925
Prof. for yr.	$2,870,610	$2,246,640	$1,462,852
Less deprec.	699,220	589,275	413,412
Net profits	$2,171,390	$1,657,365	$1,049,440
Pfd. divds.	617,987	679,488	679,488
Com. divds.	166,623	......	......
Year's surp.	$1,386,780	$ 977,877	$ 369,952
Prev. surp.	3,105,025	2,127,148	1,757,196
Total surplus	$4,491,805	$3,105,025	$2,127,148
	1927	1926	1925
Cur. assets	$9,013,989	$7,385,784	$6,770,848
Cur. liabs.	1,698,097	1,325,537	1,565,773
Work. capital	$7,315,892	$6,060,247	$5,205,075

The reorganization of the share capitalization announced a year ago, has, as predicted at that time by President Carlisle, been beneficial to the shareholders. The former American holdings are now owned in Canada; and the common shares are on a dividend basis with dividend cheques going forward this week-end.

Canada Stands to Gain as Aluminum Becomes More Popular Material

Aluminum is a metal of considerable importance to Canada. We have not yet proven the existence of the raw materials from which aluminum is refined—at least not in commercial quantities although scientists expect one-day to extract aluminum from the clay deposits of Northern Ontario.

Aluminum Corporation of America, the dominant company in the world aluminum picture, controlled by the wealthy Davis and Mellon families in Pittsburgh, is now spending millions to refine bauxite and thus produce aluminum at Arvida, Quebec. Arvida is a new town located where it is, first because the British authorities require bauxite from British Guiana to be refined within the Empire and because a large amount of power is required for aluminum refining. Arvida, incidentally is a word derived from the first two letters of each of the names of Arthur V. Davis, head of the Aluminum Company.

Tells Story of Aluminum

The New York Trust Company in its March "Index" gives some facts about aluminum that are interesting to Canadians because of the big development at Arvida.

Compared with other important metals, the aluminum industry has had only a brief existence. The metal has been refined for commercial purposes only since 1883. In the past few years, however, its use has become both extensive and diversified.

World production and consumption of aluminum are now about three times the amount in 1913. World production for 1927 is estimated at around 200,000 tons, and consumption at over 190,000 tons. American output has increased nearly 400 per cent. over the pre-war figure, with a consumption increase of about 300 per cent. At current prices the value of last year's world aluminum production was more than $110 million, while that of the United States exceeded $50 million.

Certain unique qualities have contributed to the popularity of the metal. Its specific gravity is about one-half that of iron, yet it is strong in proportion to its weight. Weight for weight, aluminum is only exceeded in tensile strength by the best cast steel and its own alloy, aluminum bronze. Its alloy, duralumninum, has the greatest tensile strength of any metal for its weight and is particularly important in the construction of aircraft.

Is Abundant Metal

In view of the rapid increase in aluminum consumption it is fortunate that aluminum is one of the most abundant of all metals, although never found in the pure state. There are at least a hundred minerals which are compounds of aluminum. It is an element of nearly all important rocks, and constitutes 7.85 per cent. of the earth's crust. Iron, constituting 4.5 per cent., is next in abundance, with other metals far behind.

Bauxite, the hydrated oxide of the metal, is the only ore which constitutes a commercially profitable source for aluminum. About 75 per cent. of the world's production of bauxite is treated for aluminum extraction.

Development of the industry before 1900 was negligible, but between 1901 and 1910 the output increased enormously and it is estimated that 150,000 tons were placed on the market during this period. Chiefly owing to new uses developed by the War, the output exceeded a million tons in the next ten years, with prices doubling the 1910 figure.

France was not only the first to recognize the commercial value of bauxite ore, but has produced probably more than any other country. France, British Guiana, and the United States possess the largest deposits. Relative amounts of bauxite produced in the last three years may be seen from the following table:

World Production of Bauxite by Principal Countries
(Long Tons)

	1924	1925	1926
France	382,445	400,000	402,000
United States	347,570	316,540	392,250
British Guiana	185,091	194,339	219,001
Jugoslavia ..	30,000	77,762	120,000
Italy	138,527	192,000	89,000
Dutch Guiana	59,067	85,431	45,707
*World's total	1,180,000	1,290,000	1,290,000

*Approximate.

The producers of bauxite, however, are not necessarily the producers of aluminum. One of the essential factors in the extraction of the metal is cheap and plentiful electric power. Such countries as Norway and Switzerland, therefore, with abundant water power resources, take the place of Great Britain and British and Dutch Guiana in the output of aluminum. Here the United States is easily first; France, in second place, produces only half as much as this country. The United States is fortunate in having not only an abundant supply of bauxite ore, but also ample hydro-electric power for its extraction.

World Production of Aluminum (Estimated)—Principal Countries
(Long Tons)

	1925	1926	1927
United States	70,000	84,000	80,000
France	20,000	20,000	42,000
Germany	26,000	29,100	35,000
Canada	12,000	18,000	30,000
Norway	22,000	24,036	23,000
Switzerland	25,000	20,000	22,000
Austria	3,000	3,000	3,000
*Worlds total	182,000	208,000	225,000

*Approximate.

One Large American Company

The control of bauxite deposits guarantees, of course, a large measure of control in the aluminum industry. For that reason a few companies in the United States, France, Germany and Switzerland exercise a large measure of control in the aluminum industry through their control of the world bauxite deposits. In the United States one company has control, with refining plants in this country, Canada and Norway. The company has large interests in the bauxite of both British and Dutch Guiana. The net income of this firm has averaged over $12,000,000 annually. Controlling the home industry and occupying a dominant position in the world production of aluminum, its position is unique. In 1926 it produced, with its Canadian subsidiary, nearly half of the world's supply.

There are in addition four large European companies. The German industry is owned by the State and the other companies which might be ranked somewhere near the American organization are the British Aluminum Company, which practically controls the aluminum production of the United Kingdom, L'Aluminum Francaise, which controls French production and the Aluminum-Industrial-Aktien-Gesellschaft, largely financed by German capital.

Europe Has Trust

The European Aluminum Trust was formed in the Autumn of 1926, including France, Germany, Switzerland, Great Britain, Austria and Norway. The companies represented are The British Aluminum Company in England, L'Aluminium Francaise in France, Vereinigte Aluminum Werke in Germany and the Societe Anonyme in Switzerland. The latter concern controls Austrian and Norwegian production, and also the Italian to some extent. The Trust has lowered the price very slightly and thus effected an increase in consumption. Despite the greater facilities in production, however, the present price level is very little lower than 20 years ago.

Building returns for Greater Vancouver for 1927 were $19,167,986, and for 1926, $25,512,121.

Post office returns for Vancouver were $1,248,296 for 1927, as against $1,244,000 for 1926.

Expose Your Mind

"THE more sales you expose yourself to, the more sales you will make," says Printer's Ink. That is a perfectly sound axiom; and what is true of selling is true of thinking. The man who exposes his mind to ideas is likely to generate some. It is a great thing to rub your mind up against another good mind.

Take conventions, for instance; some men attend them and draw a blank. The ideas, as presented, do not fit. Conventions, consequently, are a frost. Others will receive tremendous mental stimulation, and pronounce their conventions a huge success.

A machinery manufacturer who is mentally alert could probably attend a haberdashers' convention and get his money's worth in ideas applicable to his own business.

This is no brief for conventions. Bruce Barton once said they were America's second largest industry. That was five years ago. They may have taken first place by now. At any rate they have contributed enormously to the sum total of human knowledge. The value of the ideas conceived at them, and as a result of them, would stagger us could it be computed.

When it comes to thought stimulation and the generation of ideas, however, conventions give second place to our modern business papers. Millions—yes billions of dollars—have been earned, and other billions saved, as a direct result of the information disseminated by technical and trade publications.

The growth of wealth in Canada and the United States absolutely parallels the development and growth of the business press.

It would, of course, be manifestly impossible to estimate the value of the information that has been made available to business men by technical papers alone. It would be more impossible still to form any idea of the value of these papers in stimulating thought.

As in the case of the machinery manufacturer at the haberdashers' convention, so in reading technical papers such as Canadian Machinery, the man who is mentally alert will read an article foreign to his particular line and from it derive an idea which he can use.

The man who knows how to "tune in" will get many an idea from his technical or business papers. Some he will find ready made; others he will remodel and recast to suit his particular requirements.

Lasting success is based on knowledge, and the man who exposes his mind to the most ideas is going to travel farther and faster than the man who neglects to give his mind the stimulation it needs.

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An Open Letter to Canadian Manufacturers

Dear Sirs,-

Consider a few of the developments of The Financial Post.

A circulation on the A.B.C. basis - though not yet checked by the Audit Bureau of Circulations - of 15,000 paid.

A volume of advertising during 1927 showing an increase of 27% over the volume in 1926 - the previous high year.

A new Hoe Rotary press installed to enable prompt delivery of every copy.

A newsstand circulation, and a by-mail circulation, growing every week - and every copy sold at the full subscription price of $5.00 a year, or 10c a single copy.

A continually expanding editorial service exemplified now by the opening of a Haileybury office from which a staff man - A. E. Richard - will keep in daily touch with the mines of Northern Ontario and Quebec.

For advertising, directed at men of influence and buying power, The Financial Post believes it can claim to give the very best value.

The Financial Post hopes to have a leading place in your advertising campaign during 1928.

Sincerely yours,
THE FINANCIAL POST.

Gordon Rutledge
Manager.

The Financial Post has the largest Circulation of any Canadian Financial Paper

Protein Grading Asked by Farmers Might Hurt Them

Would Mean Lower Prices For Wheat of Many

From Our Own Correspondent

WINNIPEG. — The question of grain grading came up in the House of Commons recently, when a resolution was passed, without dissent, to ask the National Research Council, working in conjunction with the Board of Grain Commissioners, to investigate the feasibility of using the protein content as a basis for grading wheat. That is also a question which has received a great deal of discussion in Western Canada in recent years, but the same as on the question of mixing, the attitude of many farmers has been changed with the advent of the pool system. H. W. Wood, head of the Alberta pool, told the convention of the United Farmers of Alberta a year ago that the pool did not find any demand from its customers for such grading, and that it was necessary to meet the requirements of purchasers in this respect.

Appearance Counts Now

The present system of grading is one based on the appearance of grain. The protein system is based upon chemical analysis. Grading by appearance may be done within a few minutes, while a chemical analysis is a fairly lengthy process. At Minneapolis it is customary to apply the protein test, and cars of grain with a high protein content sell at very high premiums above the low protein content cars. That is because as a rule wheat in the United States is deficient in protein content, and millers, to improve the quality of their flour, are eager bidders for wheat that will add to the strength of their product. The protein content is one measure, although not an absolutely accurate one, of the gluten content of wheat, and gluten is the substance that gives to bread its spongelike quality. Flour deficient in gluten is likely to make unsatisfactory and heavy bread.

Our Wheat High in Gluten

Western Canadian wheat, on the other hand, is normally fairly high in protein and gluten content, and the purchasers, as a rule, are satisfied with the average content in this respect. They are under no urge to pay premiums for additional protein, but rather, select grain on a basis of the expected quantity of flour to be obtained.

Last year's crop in the West was on the whole deficient in protein. Instead of a normal range of from, say 11 per cent. to 13 and even 15 per cent. gluten, a good deal has run as low as 8 per cent. Canadian millers have met the situation by selecting, as far as possible, districts from which they will buy grain, and in some cases have been paying premiums for grain from certain districts known to have produced high protein wheat this year.

Farmers Would Have Suffered

Many of the farmers who advocate a new grading system fail to realize that their own wheat has been deficient this year in protein content, and if the system they favor had been in effect, instead of receiving premiums for their grain they would probably have suffered heavy discounts. At Minneapolis, for example, the premium paid for high protein wheat sometimes run to thirty cents a bushel or even more. A purchaser who accepts wheat on a contract for future delivery, gets wheat from which the choicest samples have been removed, and the general price goes down as a result.

Another point worth noting is that protein grading presupposes a sample market, that is a market on which each car of grain is bought separately on its own merits, instead of being accepted as of a specified grade. Such a market can be operated at Minneapolis, where the great bulk of the wheat received is bought by local millers. But only a small part of the wheat traded in on the Winnipeg market is taken by millers, and the great bulk must go overseas. To operate a sample market here and especially if cargoes of grain were to be made up to a guaranteed protein content, would require mixing and blending of wheat, both on a much greater scale and with a greater degree of precision than has ever been attempted.

Complicated Handling Problem

The problem of the physical handling of wheat would be complicated by the introduction of a system of grading based on chemical analysis. The length of time required for such analysis is one factor, only to be overcome by the employment of a very large staff of experts. More serious would be the delays caused in finding a market and a place to store unwanted cars of poor grade.

Grain can be graded upon protein content. There is no doubt of that, since the method is actually employed at the present time on different markets in the United States.

The problem which has been referred to the National Research Council is therefore not one which requires scientific research. Commercial considerations, and not scientific ones, are the important factors in the case. A research confined to laboratory experiments will be of no great benefit. It is to be hoped that the National Research Council will be able to deal with the matter on broad commercial grounds, and base their conclusions, not on what test tubes, retorts, and baking experiments may yield, but on the advice and opinion of experts in handling the grain of western Canada. It will be interesting to learn to what extent the opinion of wheat pool officials corresponds with the opinion of others in the trade, whenever the commercial aspects of the matter come to be discussed.

One thing is certain, that no changes in the grading system should be based on the trouble of the past two seasons. Grading difficulties to a large extent have been the result of too much moisture. That cause of trouble is not likely to be frequent. Past experience has led the west to fear rather too little moisture than too much.

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BRITISH COLUMBIA PULP AND PAPER NET OFF SHARPLY

But Virtually No Change in Gross or in Its Liquid Position

From Our Own Correspondent

MONTREAL.—Despite the less favorable market conditions which prevailed in 1927 the annual report of the British Columbia Pulp & Paper Company covering the year reveals only a marginal decline in operating profits. It is true, though, that net profits applicable to preferred dividends showed a substantial decline as compared with a year ago, but the larger allowance for depreciation and bond interest accounted in part for the sharp decline in the net.

Before depreciation, the company earned its first mortgage bond interest requirements 3.4 times over and its general mortgage bond interest, after deducting the interest on the senior issue, 4.8 times over. These figures do not allow for the charge for depreciation.

Earns $8.62 on Preferred

Earnings on the preferred stock amount to $8.62 per share. The preferred shares were given to the original first mortgage bond holders of the Whalen Company in lieu of their arrears of interest.

The balance sheet reveals that the company's financial position is as strong as ever with current assets standing at a figure equal to about four times current liabilities. Other changes in the balance sheet reveal a slight decline in fixed assets. On plant account the company spent $377,298 during the year to increase the output slightly, to improve the quality of its pulp and to reduce operating expenses.

The balance sheet reveals that in the two initial years of operation, the company has written off for depreciation and depletion between 8 and 9 per cent. of the amount at which it carries its fixed assets. Other changes in the balance sheet were not of a particularly significant character.

The result of the initial two years of operation can be seen from the following comparison of income accounts and working capital figures over the past two years.

	1927	1926
Oper. profit	$777,551	$807,232
Bond interest	327,450	320,420
Balance	450,101	486,812
Depreciation	384,861	374,752
Balance	65,240	112,060
Prov. for Inc. T.	17,270	31,000
Net profit	47,970	81,060
Preferred divid.	38,934	38,934
Surplus for year	9,036	42,126
Surplus prev. year	42,126	......
P. & L. balance	51,162	42,126
Working Capital Position		
Current assets	$1,663,585	$1,674,617
Current liabilities	361,026	364,332
Net work. cap.	$1,302,559	$1,310,285

Power & Paper Earns Interest Twice Over

From Our Own Correspondent

MONTREAL—An offering of the debentures of the Canada Power and Paper Corporation at the current market price of 98 to 99 is being made by Wood, Gundy and Company. The debentures do not represent new financing by the corporation, but consist of a $6,000,000 block which the investment house bought from former Laurentide shareholders.

The circular describing the debentures reveals the earning power of the corporation as indicated by earnings of Laurentide Company, Limited, and St. Maurice Valley Corporation and their subsidiaries. For two years ended December 31, 1927, such earnings, after all prior charges and available for interest on debentures, averaged $3,180,869—or more than twice annual interest requirements on the full $28,800,000 debentures that will be outstanding upon completion of all exchanges of securities.

BRUCK SILK HAS EXCELLENT YEAR; EARNS $3.22 SHARE

Occupies Sound Financial Position—Plant Operates to Full Capacity

From Our Own Correspondent

MONTREAL.—The annual report covering the fiscal year ending January 31 last, of the Bruck Silk Mills revealed a substantial earning power position and a satisfactory liquid position. Earnings are largely increased from the preceding fiscal year when the plant was undergoing alterations and no annual report was published.

The results of the year's operations can be seen from the following income account figures and working capital figures:

	Year ending Jan. 31, 1928
Profits	$165,943
Bond interest	35,571
Bond discount	2,239
Depreciation	40,500
Income tax reserve	7,000
Balance	80,633
P. & L. balance	31,768
Surplus account	112,401
Working Capital Position	
Current assets	$357,421
Current liabilities	190,209
Working capital	167,212

The balance sheet shows a cash account of $21,806—an increase of nearly 100 per cent. a year ago. Accounts receivable are up over 82 per cent. from the preceding year and reserve for depreciation now stands at $74,332 as compared with a total investment in plant of some $870,000.

Of the $550,000 of bonds issued a few years ago, $11,000 have been redeemed. The 25,000 common shares are carried at $337,500. In his remarks to the shareholders, I. I. Bruck says in part:

"Sales during the year have increased approximately 60 per cent. over the corresponding period of the previous year.

"With the new additions to the dyeing plant, now practically completed, the company will be in a position considerably to increase the past year's output in this department, thus enabling us to take care of the ever-increasing demand for our products.

"Your directors confidently expect that the plant, as now enlarged, will continue to be utilized to its full capacity, as our customers have shown great patience in the past year waiting for deliveries."

MONTREAL Y. M. C. A. SEEKS $1,500,000

Will Make Plea to Citizens For Large Sums to Expand Work

After seventy-seven years of continuous work of a social, physical, educational and religious nature among the youth of the city of Montreal, the Y.M.C.A. has decided to put its needs and incidentally the city's as well, before the public and ask for an amount of money sufficient to more adequately extend its services to the fast growing suburban population as well as the downtown area of Canada's metropolis. Between the dates April 20th and 30th, the Association will ask for the sum of $1,500,000. Plans are now being proceeded with to complete the Campaign organization which will call for about a thousand men.

The raison d'etre of the campaign is given in a short outline of the proposed expansion issued from headquarters of the "Y."

Due to the rapid growth of population, large areas of greater Montreal are, at present, inadequately served by the Association. Approximately ten thousand boys and young men now come into contact with the Association each week. At least double this number should be provided for.

One of the most important objects to be gained in this forward movement of the "Y" is that of a central building in Verdun which will also serve Pointe St. Charles and Cote St. Paul. In this section of Greater Montreal, cut off as it is by the Canal, there is a population to-day of over 100,000 people who are inadequately provided with institutional facilities, such as the "Y" offers.

In addition to this and in order to serve three fast growing communities, Notre Dame de Grace, Montreal West and Hampstead, a building in the first locality is a crying need. Notre Dame de Grace has a population to-day of 55,000, and pays more taxes than any other ward in Montreal, yet it has no public baths, no public skating rink, hall or library. The Association purposes spending $310,000 on this project for a modern fully equipped building.

Having to refuse 200 applicants for admission to the Sir George Williams College last summer, over and above the 900 accepted in the evening elementary school, high school and commercial school, another issue had to be faced by the Board, and space for 2,000 students will be arranged in the proposed new Central building to be erected on Stanley Street.

Residence accommodation for 450 rooms is a minimum requirement, and will be part of the plan for the new Central building. The revenue of rentals is recognized as necessary in financing "Y" work, and this larger residence space will assist in meeting the annual operating expenses in "Y" branches in Verdun, Cote St. Paul, Pointe St. Charles, Notre Dame de Grace, Mount Royal Avenue and the International branch where no provision can be made for resident members.

HOWARD SMITH HAS SPECTACULAR RISE

From Our Own Correspondent

MONTREAL—The spectacular jump in the common shares of Howard Smith Paper Mills is not due to merger negotiations, is not due to capital reconstruction plans, but can be traced solely to the policy of the management during the past few years of steadily ploughing back earnings into the property. The company now occupies a strong position in which it has very probably received favorable merger offers; also refinancing could be carried out on a basis favorable to the common shareholders.

There have been rumors that the Canada Power and Paper Company has been negotiating for the purchase of the property. But some of those well informed on the situation feel that these rumors are merely an effect, rather than the cause of the large appreciation in the stock. What appears to be more probable is a revamping of the capital structure which would better the position occupied by the common shareholders materially.

If the present merger rumors touching the company be incorrect, some form of capital reconstruction is bound to come, for Howard Smith has a funded debt of some $4,500,000, of which $4,000,000 is in seven per cent. bonds. And with interest rates at their present level, Howard Smith could easily borrow on a 6 per cent. basis. Then, too, the company has outstanding, $1,599,700 in 8 per cent. preferred stock. Both the bonds and the preferred might be redeemed and replaced by issues bearing a lower rate of interest.

A saving of only one per cent. a year on the bonds and preferred stock would be equivalent to about $1.40 a share on the common stock.

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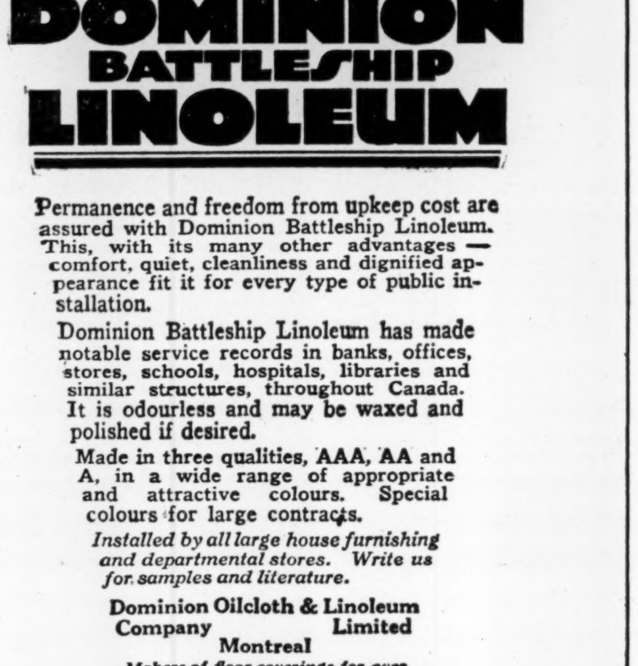
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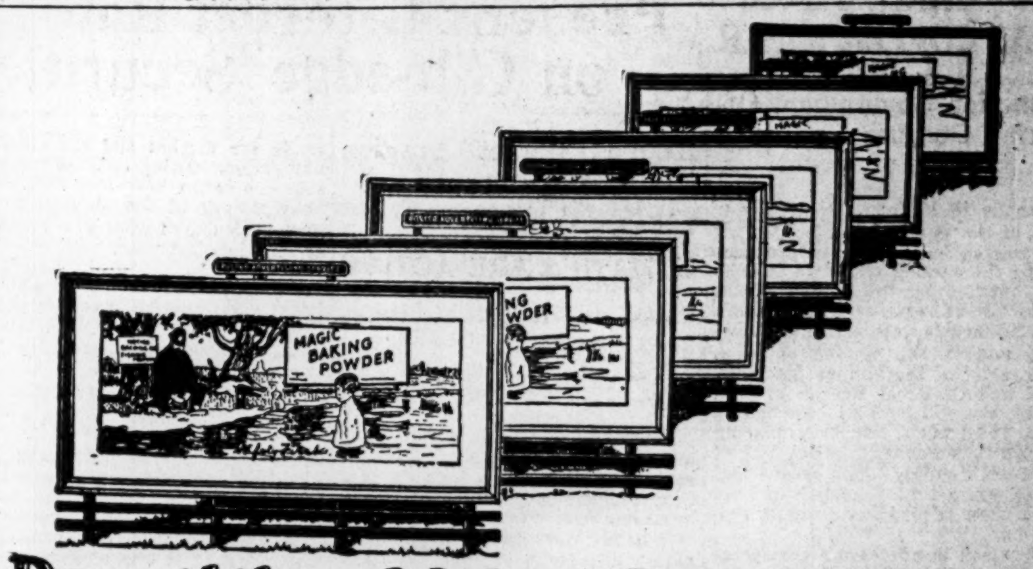

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To the Holders of:

The Lake Superior Corporation First Mortgage and Collateral Trust Forty Year Five Per Cent. Gold Bonds; Algoma Steel Corporation, Limited, First and Refunding Mortgage 5% 50-Year Sinking Fund Gold Bonds.

The Lake Superior Corporation First Mortgage and Collateral Trust Forty Year Five Per Cent. Gold Bonds (herein called the Lake Superior Bonds), of which $10,000,000 face value are authorized and $5,278,000 face value are issued and outstanding, are secured by the pledge of $5,800,000 face value of Purchase Money Five Per Cent. Bonds of Algoma Steel Corporation, Limited, which are secured by a first mortgage on a portion of that Company's plant and properties. Algoma Steel Corporation, Limited, First and Refunding Mortgage 5% 50-Year Sinking Fund Gold Bonds, (herein called the Algoma Bonds), of which $30,000,000 face value are authorized and about $18,500,000 face value are issued and outstanding, are secured by a first mortgage on the major portion of the plant and properties of that Company, and by a second mortgage on the remainder of said plant and properties on which the above-mentioned $5,800,000 face value of Purchase Money Five Per Cent. Bonds of Algoma Steel Corporation, Limited, are secured by a first mortgage. The outstanding Algoma Bonds are payable, at the option of the holder, in dollars in New York or Montreal or in pounds in London at the fixed rate of exchange of $4.86⅔ per pound Sterling. All of the issued and outstanding stock of Algoma Steel Corporation, Limited, is owned by The Lake Superior Corporation.

The published statements of Algoma Steel Corporation, Limited, show that, without making any provision for general depreciation, the results of its operations after payment of its bond interest for:

1922	showed a loss of	$ 831,896.00
1923	" " " "	581,639.71
1924	" " " "	23,954.12
1925	" " " "	1,069,549.33
1926	" " " "	638,759.66
1927	" " " "	251,248.74

From these published statements it is evident that since 1921 the interest charges on both issues of Bonds of Algoma Steel Corporation, Limited, have been largely met from capital account, resulting in a depletion of current assets by the amount of the unearned interest charges. This depletion of current assets has required Algoma Steel Corporation, Limited, each year to depend more largely on its bankers for working capital, and we are informed that for some time past loans against current assets have had to be arranged with such bankers before decisions could be taken for the payment of bond interest. It must be evident to the most casual observer that this condition of affairs cannot go on much longer without default.

The chief product of Algoma Steel Corporation, Limited, is steel rails, from which the greater part of its income is derived, and when there are no rail orders the mills close down till another order comes along when they open up again. The rail mill (although well maintained and last year extended at the expense of current assets so as to roll rails up to thirty-nine feet in length) has reached its limit in length and weight of rails rolled, is thirty-five years old, and is fast becoming obsolete. The requirements of the railways are constantly for a heavier rail and in the last few months an important order from a regular customer had to be refused because the mill could not roll the weight required.

Algoma Steel Corporation, Limited, must have a new combined rail and structural mill and other special mills to produce the requirements of the territory it serves; otherwise it will be forced out of business by competition already in sight. These new mills require approximately $10,000,000 of new money. This money can be obtained today by a reorganized Algoma Steel Corporation, Limited, but if competitors first build such new mills the outlook for the Corporation will be black indeed.

The extent to which Algoma Steel Corporation, Limited, is at present overloaded with fixed charges is evident from the following comparison with important independent steel companies in the United States and Canada:

Comparison of the Following Companies:

	Youngstown Sheet & Tube Company	*Inland Steel Company*	*Steel Company of Canada*	*Algoma Steel Corporation, Limited*
Ingot Capacity	3,240,000 tons	1,800,000 tons	360,000 tons	500,000 tons
Funded Debt	$75,000,000	$30,000,000	$ 5,909,299	$23,871,659
Preferred Stock	$14,241,100	None	$ 6,496,300	$10,000,000
Common Stock	987,606 shs.	1,200,000 shs.	$11,500,000	$15,000,000
Funded Debt per Ton of Ingot Capacity	$ 23,15	$ 16,67	$ 16.41	$ 47.74

In this connection Messrs. Coverdale & Colpitts, in their report hereinafter referred to in respect to the property and affairs of Algoma Steel Corporation, Limited, say:

> "We regard many of the improvement and betterment items charged to capital as covering maintenance and rehabilitation which should have been charged to operating expense and in our judgment it is not possible to perpetuate the existing $21,259,373 of first mortgage bonds as such under any circumstances."

There are more bonds outstanding now than at the time Messrs. Coverdale & Colpitts made their report.

That default on the bonds of Algoma Steel Corporation, Limited, has not heretofore occurred is due in chief measure to the persistent courage and intelligent and untiring efforts of its officers and staff. As early as the beginning of 1923 the unsatisfactory condition of affairs then existing was impressed upon the Directors of The Lake Superior Corporation, which as heretofore stated owns all of the stock of Algoma Steel Corporation, Limited, by two of their number representing The Lake Superior Investment Company, the holder of a large amount of Algoma Bonds. The Lake Superior Investment Company is a New Jersey corporation, organized in 1908, and its present Directors are Messrs. Frederick H. Amerman, Arthur Coppell, Herbert Coppell, Joseph S. Dale, Sir James Dunn, Frederick E. Meredith, K.C., and E. R. Wood.

In 1923 at the instance of The Lake Superior Investment Company the aforesaid firm of Coverdale & Colpitts, Consulting Engineers of New York, made a report to United States Mortgage and Trust Company, the Trustee for both the Lake Superior Bonds and the Algoma Bonds. These engineers advised the construction of a new combined rail and structural mill and the providing of additional working capital. The Lake Superior Investment Company put before The Lake Superior Corporation a plan of reorganization and offered assistance in obtaining the new money, but The Lake Superior Corporation did not accept the plan. Subsequently Messrs. Freyn, Brassert & Co., Consulting Engineers of New York, confirmed the necessity for new mills and The Lake Superior Corporation was urged to face the situation and join in a reorganization of Algoma Steel Corporation, Limited, but again without success;—and in 1925 the Directors representing The Lake Superior Investment Company withdrew from the directorates of The Lake Superior Corporation and Algoma Steel Corporation, Limited.

The Lake Superior Investment Company has now decided to take what steps it may to protect its investment and, with the object of uniting as many Bondholders as possible for this purpose, has decided to invite the holders of the Lake Superior Bonds and the other holders of the Algoma Bonds to become stockholders in The Lake Superior Investment Company by exchange of their Bonds for Participating Preferred Stock of The Lake Superior Investment Company (which Participating Preferred Stock is hereinafter more particularly described) on the following basis. The Lake Superior Investment Company will issue

To holders of The Lake Superior Corporation First Mortgage and Collateral Trust Forty Year Five Per Cent. Gold Bonds, for each $1,000 of Bonds.

6½ shares of The Lake Superior Investment Company Participating Preferred Stock.

To the holders of Algoma Steel Corporation, Limited, First and Refunding Mortgage 5% 50-Year Sinking Fund Gold Bonds, for each £100 of Bonds.

3 shares of The Lake Superior Investment Company Participating Preferred Stock.

The Lake Superior Investment Company has an authorized capital stock of 150,000 shares of Participating Preferred Stock without par value and 100,000 shares of Common Stock without par value. The Preferred Stock is entitled to a preferential non-cumulative dividend of $5 per share in any year before a dividend on the Common Stock is paid during such year, and it participates equally by classes with the Common Stock in each dividend paid in any year after the payment during such year of such preferential dividend on the Preferred Stock and of a dividend of 50 cents per share of the Common Stock, and it is entitled on any voluntary or involuntary liquidation to receive $150 per share from the assets of the Company before any payment from such assets is made to the holders of the Common Stock. The Company has the right at any time on 60 days' notice to redeem all or any part of the Preferred Stock at $150 per share. Each share of Preferred Stock and each share of Common Stock entitles its holder to one vote on each matter on which action of the stockholders is taken, and the Company may not, without the consent of the holders of two-thirds of the Preferred Stock then outstanding, create any shares of stock having a preference over or any additional shares of stock on a parity with the amount of Preferred Stock now authorized. 50,000 of the authorized 150,000 shares of Preferred Stock are issued and outstanding, and all of the authorized 100,000 shares of Common Stock are issued and outstanding.

The offer made above is based on an estimated value of $650 for each $1,000 of Lake Superior Bonds and $300 for each £100 of Algoma Bonds, and the Participating Preferred shares of The Lake Superior Investment Company for the purpose of this exchange are taken at an estimated valuation of $100 each.

The Lake Superior Investment Company owns at the date hereof £1,613,586 face value of Algoma Bonds together with upwards of $1,200,000 market value in first-class securities and cash, and it has no indebtedness whatsoever. The Lake Superior Investment Company may therefore be said to hold £1,613,586 face value of Algoma Bonds for 48,408 of its outstanding 50,000 shares of Participating Preferred Stock at the aforesaid rate of 3 such shares for each £100 of such Bonds, and to hold $159,200 market value in first class securities and cash for the remaining 1,592 of said shares of Participating Preferred Stock at the aforesaid rate of $100 for each such share, and in addition to hold for each share of Participating Preferred Stock a pro rata portion of over $1,000,000 market value in first class securities and cash. It is apparent from the foregoing that without taking into consideration the probable improvement in the value of the exchanged Bonds, due to their ownership being vested in one group, Bondholders acquiring The Lake Superior Investment Company Participating Preferred Stock will hold a security more valuable than their Bonds.

If holders of a sufficient amount of Bonds accept the above offer so as to give The Lake Superior Investment Company a preponderating position in both classes of Bonds, The Lake Superior Investment Company will use its best endeavors to bring about a reorganization of Algoma Steel Corporation, Limited, on terms acceptable to it, and if such reorganization is so effected will arrange to provide for the reorganized Company the sum of $10,000,000 to build the mills advised by the engineers consulted and by the officials of Algoma Steel Corporation, Limited, in whom The Lake Superior Investment Company has great confidence. The Lake Superior Investment Company believes that the reorganized Algoma Steel Corporation, Limited, if it builds the new mills advised before competitors build such mills, should operate them successfully and earn a fair return on such securities as may be issued for the provision of the new money and also on such securities as may be issued in exchange for the existing Bonds.

Bondholders desiring to avail themselves of this offer should, subsequent to April 1, 1928, and not later than May 1, 1928, present their Bonds for exchange, in the case of The Lake Superior Corporation First Mortgage and Collateral Trust Forty Year Five Per Cent. Gold Bonds with all coupons maturing after June 1, 1928, attached, and in the case of Algoma Steel Corporation, Limited, First and Refunding Mortgage 5% 50-Year Sinking Fund Gold Bonds with all coupons maturing after April 1, 1928 attached, to United States Mortgage and Trust Company at 55 Cedar Street, New York City, or to Bank of Montreal at 47 Threadneedle Street, London, E.C., or to The Royal Trust Company in Montreal or Toronto, Canada, and said Trust Companies and said Bank will deliver to such Bondholders temporary receipts for their Bonds and as soon as possible thereafter will deliver to the holders of such temporary receipts on surrender thereof the shares of The Lake Superior Investment Company Participating Preferred Stock called for by such receipts.

In case exchanging Bondholders are entitled to fractional shares of Participating Preferred Stock, non-dividend-bearing transferable scrip will be issued exchangeable in blocks aggregating one share for a whole share of Participating Preferred Stock.

It is not possible within the reasonable limits of this advertisement to describe in detail the present situation and future prospects of Algoma Steel Corporation, Limited, but if Bondholders desiring additional information will apply to Messrs. Maitland, Coppell & Co., No. 62 William Street, New York City, there will be made available to them such information.

THE LAKE SUPERIOR INVESTMENT COMPANY,
By HERBERT COPPELL,
President.

March 26, 1928

FORESEE CANADA IN THIRD PLACE AS COPPER MINER

Dominion Government Official Outlines Copper Position of World

Canada in 1926 produced 3.9 per cent. of the world's output of copper and ranked but fifth as a producer among the nations of the world. She was dwarfed by the United States production of 54 per cent., and Chile's 13.7. Canada's day is coming, however, and in the opinion of S. J. Cook, chief of the Mining, Metallurgical and Chemical Bureau of Statistics, she will by 1937 have moved up to third place, and be producing 230,000 tons annually, about 12.7 of the world's supply. This means that in ten years time Canada will have more than tripled her present production.

Mr. Cook in addressing the recent annual meeting of the Canadian Institute of Mining and Metallurgy, stated that Canada's future in copper is bound up in the problem of the world's future in copper. Exterpolating the world output curve along the line of development from 1891 to 1915, and from 1924 to 1926, it appears that the annual output of copper in all countries of the world in 1937 should reach the magnificent total of about 1,800,000 metric tons.

Since 1914 the consumption of new copper in the world has followed the trend and tonnage of copper outputs. The two curves lie close together; in 1921 consumption did not drop as low as the output tonnage in that year; on the other hand, in 1925 and 1926 consumption ran ahead of production.

Copper Consumption Grows

Notable growth in the use of copper is indicated in the figures for the United States. From 8.22 pounds per person in 1913, the use of copper was extended until, in 1926, consumption of new copper in that country amounted to 15.54 pounds per person. Figures for France and Great Britain show a slight gain during the period, but in both countries the use of copper in 1926 was only between six and seven pounds per person; in Germany the per capita consumption of copper declined from 8.53 pounds in 1913 to 5.73 pounds in 1926, but the figures do not show a steady trend.

Due to research work, special alloys of copper, using either one or more of the following metals, are gradually making their appearance: Cadmium nickel, chromium, zinc, cobalt, silicon, tin, aluminum, iron, beryllium, arsenic, etc. The use of certain of these metals permits the development of alloys that have a high strength with a relatively high conductivity. Cadmium is particularly valuable for such purposes, and it is believed that the next few years will see a great increase in the use of copper-cadmium alloys for electrical purposes.

Thus it seems reasonable to assume that the consumption of copper in the countries of the world will continue to increase each year at about the same rate as in the past; new uses of copper will offset any loss in demand due to the substitution of other metals for copper, as, for example, aluminum. Indeed, the growing production of aluminum, looked upon at first as a threatening factor in the production of copper, may yet, due to the growing popularity of aluminum bronzes, provide a further outlet for the greater use of copper.

Dealing with the price of the metal, Mr. Cook believes that while lower costs of producing copper may be accomplished in the coming years, this is more likely to be a factor in determining the areas that may be operated to advantage than one to be used as a means of reducing prices.

Canada's Place

The place that Canada is likely to occupy in the copper-producing field in the next ten years is considered at length. An estimate of the output of the various nations in 1937 is given as follows: United States, 800,000 metric tons; Mexico, 75,000 metric tons; Cuba, 18,000 metric tons; South America, 310,000 metric tons; Europe, 95,000 metric tons; Asia, 80,000 metric tons; and Africa, 180,000 metric tons.

Canada, says Mr. Cook, is likely to have a very creditable record in the production of copper during the next ten years. Greater growth in copper output may be expected in Canada during the next decade than in any other country in the world, without exception.

In the Sudbury area the International Nickel Company, the Mond, with the other properties in the district, together with possibilities in other not far distant fields where copper is found associated with gold, should yield approximately 140,000 tons in 1937.

Northern Manitoba will have several copper properties in operation. The Flin Flon, with 12,500,000 tons of two per cent. copper ore and a life of, say, 20 years, should produce 12,500 tons of copper annually. Less is known about the Sherritt-Gordon property, but Wallace states that the tonnage to the 200-foot level is estimated to be approximately 2,000,000 tons of 2.3 per cent. copper and 5.9 per cent. zinc, with 75c. in gold and silver. Then there is still ore in the Mandy. Altogether, he estimates, the copper properties in Northern Manitoba will likely yield between 30,000 and 40,000 tons in 1937.

In the Rouyn area, assuming that the 1,000-ton smelter at the Noranda will be stepped up to a capacity of about 1,500 tons daily, the production of blister copper in the present plant will be about 90 to 100 tons daily, and the yearly output will be about 30,000 tons to 35,000 tons of copper.

It seems likely that present producers of copper in Canada will still be operating at about the same capacity ten years hence. If any properties are worked out they will be replaced by new mines, so that the present annual output may be added to the figures already assembled.

Emphasis should be laid on the fact that Canada's markets are so readily accessible. Relative nearness to the world's greatest copper markets, plentiful labor and rich ore are factors that are very favorable to Canada's progress as a copper producer.

The estimated output for the country in 1937 is placed at 230,000 metric tons, made up of present production from British Columbia, Ontario and Quebec, 60,000 tons, and new outputs as follows: Ontario (Sudbury area), 100,000 tons; Manitoba, 35,000 tons; and Quebec (Rouyn area), 35,000 tons.

Look for Maintenance Present Interest Rate on Gilt-edge Securities

Bond Market Position Strong in All Classes

UTILITIES ARE ACTIVE

Rates on Industrial Issues Expected to Continue Mildly Downwards This Year

Conditions surrounding the bond market during the past few weeks have been such as to indicate that the present level of interest rates will be maintained. Since early last summer bond prices have been steadily advancing; gains of four, five and even more points not being uncommon.

The floating supply of Canadian high-grade securities is not large. So far, there does not appear to be any large provincial or Dominion financing in the offing. Ontario, however, is seeking power to make a large issue some time this year, as is also the Dominion Government, both for refunding purposes.

Several small municipal issues have been sold in the past week or two. In each case a good price was received, the average cost basis being 4.50 per cent. As there is a scarcity of this type of bond, dealers have had little trouble in disposing of them.

Banks Are Sellers

The technical position of the bond market now is not entirely favorable to sellers. The banks are selling a good many bonds in order to finance the grain market. As is well known much of the weather that prevailed west of the Great Lakes last fall hampered harvesting, which hindered the farmers in getting their grain to the elevator at an early date.

Following this, the earlier freeze-up of navigation channels precluded the usual volume of shipments between the time the grain was made ready for market and the close of navigation. Owing to these two reasons the banks have loans on grain at Winnipeg at the moment to an amount double of what was indicated at this time last year.

As soon as the grain begins to move money will come in and the banks will again be buyers of bonds. On this account dealers look for the market to strengthen during the next two weeks to a month.

American Buying Possible

Another favorable factor as regards sound bonds is to be seen in the fact that legislation to make public utility securities of a certain type legal investments for savings banks in New York State, only requires the governor's signature to become law. The effect of this is already apparent with the result that the market for all public utilities in the States is directly or indirectly affected by the enormously increased demand. This is tending to put them to a level at which they are no longer of interest to insurance companies, which in turn is swinging the attention of this type of investor to Canadian securities which should participate in this upward trend of a high-grade market.

The market for corporate securities is also displaying greater strength. A large amount of industrial financing has been undertaken since the beginning of the year and it is noticeable that few established companies have issued securities bearing a 6 per cent. or more coupon rate.

Lower Interest Trend

In spite of the fact that industry is becoming more and more machinized, and hence will doubtless require greater quantities of capital as expansion takes place, it still seems probable that the supply of surplus capital will for some time continue in larger volume than legitimate borrowings can take at current rates, hence that interest rates should continue mildly downward.

April Dividend Payments

Summary of Payments

Dividends	$17,152,993
Bond Interest	23,502,084
Total	$40,655,077

Industrials, Utilities, Etc.

Company	Rate	Date	Amount
Abitibi Paper, com.	$1.25q	20	$312,500
Do., pref.	1¾q	2	17,500
Amer. Cyanamid, com.	1½q	2	96,501
Do., pref.	1½q	2	83,938
Amer. Salesbook com.	$1q	2	30,730
Asbestos Corp. pref.	1¾q	16	130,481
Alta. Pac. Gr., pref.	1¾q	2	52,500
Belgo-Can. Paper com.	1½q	10	127,500
Do., pref.	1¾q	1	87,500
Bell Telephone	2q	14	981,608
Brand.-Hend., pref.	1¾q	1	8,750
Brant. Cord., pref.	2q	15	38,000
Braz. Tract., pref.	1½q	2	150,000
Brit. Amer. Oil	25c.q	2	323,088
Building Prod., com.	30c.q	2	31,608
Do., pref.	1¾q	2	13,125
Burt, F. N., com.	75c.q	2	79,545
Do., pref	1¾q	2	1,723
Brompton Pulp, com.	50c.q	16	70,000
Can. Brewing	50c.q	16	50,000
Carling Brew.	50c.q	5	80,000
Calgary Power	1¼q	2	23,750
Can. Bread pref. "A"	1¾q	1	21,875
Do., pref. "B"	1¾q	1	43,750
Can. Canners 1st pfd.	1½q	2	68,356
Do., conv., pref.	15c.q	2	54,685
Can. Car pref.	1¾q	10	131,250
Canada Iron pref.	4%	16	155,112
Can. Conn. Cot. pref.	1q	1	30,000
Can. Cottons com.	2q	4	54,310
Do., pref	1½q	4	54,922
Can. Explos. pref.	1¾q	15	131,250
Can. Fairbanks pref.	1½q	16	22,500
Can. Gen. Elec. pref.	1¾q	2	149,759
Can. Indus. Alcohol	38c.q	16	368,402
Can. Loco., pref.	1¾q	1	26,250
Can. Nor. Pr. pref.	1¾q	16	87,500
Canadian Oil pref.	2q	1	40,000
Canadian Salt	2q	2	30,000
Can. Westinghouse	2q	1	148,658
City Dairy com.	50c.q	2	46,200
Do., pref.	1¾q	2	12,250
Can. Paperboard pfd.	1¾q	1	5,250
Consumers Gas	2½q	2	300,000
Can. Steamships pfd.	1½q	2	187,500
Conduits, pref.	1¾q	2	4,375
Diversified Secs., pref.	2q	2	2,000
Dom. Engineering	65c.q	14	81,250
Dome Mines	25c.q	20	250,000
Dom. Glass, com.	1¾q	2	74,375
Do., pref.	1¾q	2	45,500
Dom. Stores	75c.q	1	56,250
Dom. Power pref.	1¾q	14	91,203
Dom. Textile com.	$1.25q	2	281,250
Do., pref.	1¾q	16	33,960
Duluth-Sup., pref.	1q	2	15,000
Dunlop Tire, pref.	1¾q	1	10,500
East. Steel pref.	$1.75q	2	10,150
Fanny Farmer	25c.q	1	25,000
Fraser, com.	25c.q	2	75,000
Gilman Fanfold, com.	1½q	2	15,000
D., pref.	1¾q	2	13,125
Goodyear Tire com.	$1.25q	2	166,628
Do., pref.	1¾q	2	139,121
Goodyear Cot. pref.	1¾q	2	8,312
Gould Pumps com.	2q	2	14,950
Do., pref.	1¾q	2	13,080
Greening Wire pref.	1¾q	1	11,375
Gurd, Chas., com.	50c.q	1	5,562
Do., pref.	1¾q	1	8,750
Hayes Wheel pref.	1¾q	2	11,375
Hillcrest Coll. com.	1½q	14	15,000
Do., pref.	1¾q	14	12,349
Hollinger Mines	2%	..	492,000
Holt Renfrew pref.	1¾q	2	17,500
H. Smith Paper pref.	2q	10	31,994
Hunts com.	25c.q	1	3,750
Do., 1st pref.	1¾q	1	5,250
Do., 2nd pref.	1¾q	1	1,750
Inter. Paper pref.	1¾q	16	833,704
Do., pref.	1½q	16	39,780
Inter. Util. "A"	87½c.q	16	114,842
Inter. Power pref.	1¾q	2	87,500
Jamaica P. Ser. pref.	$1.75q	2	16,062
Kaministiquia Pr. pref.	1¾q	15	21,848
King Ed. Hotel com.	$1.50q	2	30,000
Laurentide Paper	1½q	1	432,000
Laurentide Power	1¼q	16	131,250
Laura Secord pref.	1¾q	2	13,125
Mercury Mills pref.	1¾q	15	15,750
Mount Royal pref.	1½q	2	101,607
McKinnon Ind. pref.	1¾q	1	17,178
Mackay Co.'s com.	1¾q	2	724,157
Do., pref.	1q	2	500,000
Maple Leaf M. pref.	1¾q	18	51,275
Maritime Tel., com.	1¾q	1	15,632
Do., pref. "A"	1½q	1	14,349
Do., pref. "B"	1¾q	1	26,250
Montreal Teleg.	2q	15	40,000
Mtl. L. H. & Pr.	50c.q	30	1,020,918
Nat. Brew., com.	$1q	2	180,343
Do., pref.	1¾q	2	48,562
National Gro. pref.	2q	1	20,000
Nipissing Mines	1½q	20	90,000
North Star Oil pref.	1¾q	2	17,500
North Mex. Pr. com.	1q	2	100,000
Do., pref.	1¾q	2	52,500
Nor. Can. Pr. com.	75c.q	10	45,000
Ogilvie Flour com.	$1.25q	1	93,750
Ott. L. H. & P. com.	1½q	1	52,500
Do., pref.	1⅝q	1	24,375
Orange Cr., 1st pref.	1¾q	1	11,375
Do., 2nd pref.	50c.q	1	20,000
Pacific Burt com.	1½q	2	9,813
Do., pref.	1¾q	2	16,458
Page Her. Tubes com.	75c.q	2	83,340
Do., pref.	1¾q	2	52,500
Penn. W. & Pr.	62½c.q	1	268,655
Porto Rico Ry. pref.	1¾q	2	17,500
Power Corp. pref.	1½q	16	75,000
Price Bros. Com.	½q	2	213,416
Do., pref.	1⅝	2	113,750
Premier Mining	8c.q	4	400,000
Prov. Paper pref.	1¾q	2	61,250
Pressed Metals com.	75c.q	16	38,728
Do., pref.	1¾q	2	5,590
Pure Gold Mfg.	50c.	15	25,000
Qu. & Tr. Val. P. pref.	1¾q	1	5,687
Quebec Power	50c.q	16	200,000
Rogers, Wm. A., com.	1q	2	15,000
Do., pref.	1¾q	2	19,649
Sher.-Williams com.	1½q	1	60,000
Do., pref.	1¾q	1	60,112
Shawinigan W. & pr.	50c.q	10	750,000
St. Maur. Val. pref.	1¾q	2	140,000
St. Law. Paper pref.	2q	6	50,000
Service Stn., com.	40c.q	2	18,000
So. Can. Power pref.	1½q	16	73,576
Standard Chem. com.	$1	1	37,277
Stanfields	$1q	10	1,000
Traymore pref.	1¾q	1	14,875
Tooke Bros., pref.	1¾q	15	17,237
Trinidad Elec.	1¼q	10	14,550
Tuckett Tob., com.	1q	14	25,000
Do., pref.	1¾q	14	35,000
Twin City com.	$1q	2	220,000
Do., pref.	$1.75q	2	52,500
Tamblyn's pref.	†⅞	2	6,125
Viau Biscuit 1st pref.	1¾q	2	17,500
Wabasso Cot.	$1+50c*	2	78,750
W. Kootenay Pr. pref.	1¾q	2	8,750
Winnipeg Elec. pref.	1¾q	2	68,979
United Secs. pref.	1½q	2	76,879
Western Grocers pref.	1¾q	16	20,899
Woods Mfg. pref.	1¾q	2	26,744
			$15,501,026

Banks

Company	Rate	Date	Amount
Dominion	3q	2	180,000
Montreal C. & D.	$2.80q	3	52,500
Nova Scotia	4q	2	400,000
			$632,500

Trust, Loan and Insurance

Company	Rate	Date	Amount
Can. Perm. Mtge.	3q	2	$210,000
Canada Life	5q	1	50,000
Can. Perm. Trust	1¼q	2	12,500
Central Can. Loan	3q	2	52,500
Chartered Trust	1½q	1	7,842
Crown Trust	1½q	1	7,500
Dom. of Can. Guar.	4¼q	1	17,127
East. Can. Savings	2q	1	15,000
Eastern Trust	2q	1	20,000
Economic Invest.	2s	2	25,500
Guar. of N. America	3q	15	9,138
Huron & Erie Mtge.	2q	2	100,000
Imperial Life	3¾q	1	28,125
Lon. & West. Trust	2q	2	10,000
Landed Banking	2½q	2	25,000
Montreal Trust	4¼q	15	42,500
National Life	2½q	1	6,250
National Trust	3q	2	90,000
Ont. Loan & Deb.	3q	2	52,500
Sun Life Assur.	6¼q	1	93,750
Toronto Gen. Trusts	3q	2	75,000
Toronto Mortgage	8q	2	21,735
Toronto Sav. & Loan	3q	1	30,000
Union Trust	1¾q	2	17,500
			$1,019,467

x Bonus. † Feb. 15 to Mar. 31.
q Quarterly.

BOND INTEREST DUE IN APRIL

Company	Rate	Int. Date	Due	Amount
Amer. Salesbook	6	1	1939	$ 27,900
Arnolds	6	1	1947	39,000
Atlantic Sugar	5	1	1941	96,905
Algoma Steel	5	1	1962	384,157
Bathurst Co. "B"	6½	1	1941	42,233
Brand.-Henderson	6	1	1936	8,265
B. C. Electric	4½	15	....	20,520
Booth Bldgs.	6s	1	1937	24,375
Can. Steamships	6	1	1941	540,000
Can. Pac. Rly.	5	15	1934	300,000
Can. Paperboard	7	1	1937	24,850
Can. Cons. Felt.	6	1	1940	7,320
Can. West. Nat. Gas	5	15	1936	27,185
Carleton House	6½	1	1947	2,567
Can. Niagara Power	6	1	1932	149,400
Do., "C"	6	1	1932	45,000
City Gas of London	6	1	1947	6,750
Davidson, Thos. Mfg.	6	1	1942	5,550
Dom. Tug & Barge	7	1	1947	7,875
Dom. Pr. & Trans.	5	1	1932	136,300
Dom. Rubber	6	1	1946	78,000
Dryden Paper (lien notes)	6	1	1928	9,120
Do., deb. stock	6	1	1945	33,000
Devonshire Aprts.	6½	1	Serial	14,625
Dom. Canners	6	1	1940	41,070
East Koot. Pr. "A"	7	1	1942	68,635
Do., "B"	7	1	1942	10,500
Goodyear Cotton	6	1	1941	9,000
Gould Pumps	6	1	1942	21,450
Hayes Wheel	6	1	1942	18,000
Ken. Manor Apts.	7	20	Serial	3,325
Laidlaw Bale Tie	7	2	1937	8,750
Lethbridge Brew.	7	1	1937	14,000
London Realty	6½	1	1941	24,375
Manuf. Bldg.	7	15	Serial	5,040
Maitoba Paper	6½	1	Serial	130,000
McKinon Ind.	6½	1	1945	32,500
Minn & Ont Pap. 'A'	6	1	Serial	480,000
Mont. L. H. Cons.	5	1	1951	750,000
Do. (Lachine)	5	1	1933	71,525
Mount Royal Hotel	8	1	Convert.	1,038
Mont. Tram. "A"	5	1	1955	445,662
Do. "B"	5	1	1955	62,500
Milton Brick	6	1	Serial	9,450
Nor. Ont. Bldg.	6½	1	1939	27,625
N. S. Trams. "A"	7	1	1952	50,785
National Realty	7	1	1945	8,750
Pachuca L. & Pr.	5	1	1967	96,000
Pacific Burt	6½	1	1937	9,620
Penn. W. & Pr. 'A'	5½	1	1953	82,500
Port Alfred Pulp	6½	1	1943	186,891
Quebec Power	6	1	1953	150,000
Rio De Janeiro	5	1	1958	573,982
Shawinigan "D"	5½	1	1954	41,250
Do., "E"	5	1	1955	66,750
Simpson, Ltd.	6½	1	1945	177,677
So. Can. Pr. "A"	5	1	1955	150,000
Sherbrooke St. Realty	8	1	1938	6,000
Tooke Bros.	7	1	1942	10,202
Timmins	6½	1	Serial	910
Victoriaville Furn.	6	1	1936	5,250
Winnipeg Elec.	6	1	1954	210,000
Do. ref. mtge.	5	2	....	109,500
Woods Mfg.	6	1	1943	26,220
Corporation Bonds				$6,227,629
Municipal Bonds				x4,062,500
Provincial Bonds				x3,199,032
War Loan	5	1	1931	1,323,290
Do., refunding	5	15	1928	1,325,000
D., refunding	5	15	1943	3,675,000
Do., refunding	4½	15	1944	1,125,000
Pub. Service Loan	5	1	1931	625,000
C.P. Land Grant	2½	1	1947	61,101
Dom. Loan	4	1	1940-60	1,878,532
Total				$23,502,084

x Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1928, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 2nd day of April, 1928, to shareholders of record of the 20th March, 1928.

By Order of the Board.

C. A. BOGERT,
General Manager.

23rd February, 1928.

Dividends Declared

	Rate	Date	Record
Dom. Engineering	65c.	Apr. 14	Mar. 31
Can. Oil, pref.	2%	Apr. 1	Mar. 20
Stand. Chemical	$1.00	Apr. 1	Feb. 29
Can. Perm. Mtge.	3.	Apr. 2	Mar. 15
Quebec Power	50c.	Apr. 16	Mar. 31
Dom. Stores	75c.	Apr. 1	Mar. 15
St. Maur. Val., pf.	1¾%	Apr. 2	Mar. 15
Dom. Bank	3%	Apr. 2	Mar. 20
McKinnon In., pfd.	1¾%	Apr. 1	Mar. 15
Huron & Erie Mtge.	2%	Apr. 2	Mar. 15
Steel of Can., c.	1¾%	May 1	Apr. 7
Do., pfd.	1¾%	May 1	Apr. 7
Bell Telephone	2%	Apr. 14	Mar. 23
Belgo-Can. Pap., com.	1½%	Apr. 10	Mar. 31
Do., pref.	$1	Apr. 1	Mar. 1
Hunts, com.	25c.	Apr. 1	Mar. 15
Do., 1st pref.	1¾%	Apr. 1	Mar. 15
Do., 2nd pref.	1¾%	Apr. 1	Mar. 15
Nor. Mex. Power, com.	1%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Dom. Glass, com.	1¾%	Apr. 2	Mar. 15
Do., pfd.	1¾%	Apr. 2	Mar. 15
Dom. Textile, c.	$1.25	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 16	Mar. 31
Woods Mfg., pref.	1¾%	Apr. 2	Mar. 22
Cen. Can. Loan	3%	Apr. 2	Mar. 15
Toronto Mtge.	3%	Apr. 2	Mar. 15
Winnipeg Elec. pfd.	1¾%	Apr. 2	Mar. 6
Landed Bkg.	2½%	Apr. 2	Mar. 15
B. Amer. Oil	25c.	Apr. 2	Mar. 15
Duluth Sup., pfd.	1%	Apr. 2	Mar. 12
Brazilian Tr., pfd.	1½%	Apr. 2	Mar. 15
So. Can. Power, pfd.	1½%	Apr. 16	Mar. 24
East Twp. Tele., c.	1½%	Apr. 15	
Do., pfd.	3%	Apr. 15	
H. Smith Paper, pfd.	2%	Apr. 10	Mar. 31
Ont. Loan & Deb.	3%	Apr. 2	Mar. 15
Pressed Metals, c.	75c.	Apr. 16	Mar. 26
Do., pref.	1¾%	Apr. 2	Mar. 12
Twin City, c.	$1	Apr. 2	Mar. 12
Do., pref.	$1.75	Apr. 2	Mar. 20
Bank of N. S.	4%	Apr. 2	Mar. 15
Mackay, com.	1¾%	Apr. 2	Mar. 3
Do., pref.	1%	Apr. 2	Mar. 3
Dom. Power, pfd.	1¾%	Apr. 14	Mar. 24
Fanny Farmer	25c.	Apr. 1	Mar. 15
Nat. Breweries, c.,	$1.00	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Shawinigan	50c.	Apr. 10	Mar. 26
West. Breweries	2%	Apr. 2	Mar. 15
Can. Gen. Elec, pfd.,	1¾%	Apr. 2	Mar. 15
National Trust	3%	Apr. 2	Mar. 21
Goodyear Tire, c.,	$1.25	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Jamaica, P. Ser., pfd.	$1.75	Apr. 2	Mar. 16
Dunlop Tire, pfd.	1¾%	Apr. 1	Mar. 31
Inter, Paper, pfd.	1¾%	Apr. 16	Apr. 2
Do., pfd.	1½%	Apr 16	Apr. 2
Can. Car, pref.	1¾%	Apr. 10	Mar. 26
Alta. Pac. Grain, pfd.	1¾%	Apr. 1	Mar. 15
Ogilvie Flour, c.,	$1.25	Apr. 2	Mar. 20
Gilman Fan., com.	1½%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Amer. Salesbook, c.,	$1.00	Apr. 2	Mar. 15
F. N. Burt. c.,	75c.	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Pac. Burt, com.,	1½%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
W. A. Rogers, c.,	1%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Brant. Cordage, pfd.	2%	Apr. 15	Mar. 20
L. Secord, pref.	1¾%	Apr. 2	Mar. 15
Can. Nor. Pr., pfd.	1¾%	Apr. 16	Mar. 31
Power Corp., pfd.	1½%	Apr. 16	Mar. 31
Traymore, pref.	1¾%	Apr. 1	Mar. 15
Premier Mines	8c.	Apr. 4	Mar. 15
Can. Brewing, c.	50c.	Apr. 16	Mar. 31
Fraser Co., com.	25c.	Apr. 2	Mar. 30
Carling Brew.	50c.	Apr. 5	Mar. 20
Can. Canners, 1st pfd.	1½%	Apr. 2	Mar. 22
Mt. Royal Hotel, pfd.	1½%	Apr. 2	Mar. 19
Can. Steamships, pfd.	1½%	Apr. 2	Mar. 15
Dome Mines	25c.	Apr. 20	Mar. 31
King Ed. Hotel, c.	$1.50	Apr. 2	Mar. 20
Conduits, pref.	1¾%	Apr. 2	Mar. 17
Calgary Pr.	1¼%	Apr. 2	Mar. 15
Porto Rico Rly., pfd.	1¾%	Apr. 2	Mar. 15
Inter. Power, pfd.	1¾%	Apr. 2	Mar. 15
Diversified Secs., pfd.	2%	Apr. 2	Mar. 31
Can. Locomotive, pfd.	1¾%	Apr. 1	Mar. 20
North Star Oil, pfd.	1¾%	Apr. 2	Mar. 15
Sen. Str. Equip. 'A'	40c.	Apr. 2	Mar. 20
Econ. Invest. Trust	2%	Apr. 2	Mar. 20
Greening Wire, pfd.	1¾%	Apr. 1	Mar. 15
Nat. Grocers, 1st pfd.	2%	Apr. 2	Mar. 31
Abitibi Pr., pfd.	1¾%	Apr. 2	Mar. 20
Wabasso	$1+50c. q.	Apr. 2	Mar. 15
Tor. Gen. Trusts	3%	Apr. 2	Mar. 21
Ott. L. Heat., c.	1½%	Apr. 1	Mar. 15
Do., pref.	1⅝%	Apr. 1	Mar. 15
Can. Indust. Alcohol	38c.	Apr. 16	Mar. 31
Maple Leaf Mill., pfd.	1¾%	Apr. 18	Apr. 3
Tuckett Tob., c.	1%	Apr. 14	Mar. 31
Do., pref.	1¾%	Apr. 14	Mar. 31
Tamblyn, pfd.	⅞%	Apr. 2	Mar. 26
Nipissing M.	1½%	Apr. 20	Mar. 31
Union Trust	1¾%	Apr. 2	Mar. 31
Can. Paperboard, pf.	1¾%	Apr. 1	Mar. 20
Quinte & Tr. Val. Pr., pfd.	1¾%	Apr. 1	Mar. 20
East. Steel Prod., pfd.	1¾%	Apr. 2	Mar. 15
City Dairy, c.	50c.	Apr. 2	Mar. 19
Do., pfd.	1¾%	Apr. 2	Mar. 19
Can. Bread, "A" pfd.	1¾%	Apr. 2	Mar. 15
Do., "B" pfd.	1¾%	Apr. 2	Mar. 15
Bldg. Products, c.	30c.	Apr. 2	Mar. 19
Do., pref.	1¾%	Apr. 2	Mar. 19
West. Grocers, pfd.	1¾%	Apr. 16	Mar. 31
Inter. Utilities, pfd.	1¾%	May 1	Apr. 20
Do., Class "A"	87½c.	Apr. 16	Mar. 30
Orange Crush, 1st pfd.	1¾%	Apr. 1	Mar. 24
Do., 2nd pfd.	50c.	Apr. 1	Mar. 24
Trinidad Elec.	1¼%	Apr.10	Mar. 31
Prov. Paper, pref.	1¾%	Apr. 2	Mar. 15

'Peg Electric Closing Large Power Contract

From Our Own Correspondent

MONTREAL.—The Manitoba Power Company, Winnipeg Electric's subsidiary, is arranging a contract with the provincial government to supply 30,000 horse power annually from the Seven Sisters Falls power site.

Seven Sisters Falls is the site which the provincial government was considering developing, but it has just been acquired by the Winnipeg Electric Company. The contract with the provincial government covers a period of 30 years. At the conclusion of this period, provision is made whereby the government can take over the private plant.

The power company has closed the power contract with the government on a $13.80 per horse power basis. While the government has made the contract through the Manitoba Power Company, yet it is understood that it will be the parent company which will undertake the development, or if not the parent company, a new subsidiary of 'Peg Electric will be formed to carry out the project.

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 12

A DIVIDEND of One Dollar (1.00) per share on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared payable May 15th, 1928, to shareholders of record April 30th, 1928.

By order of the Board,

L. C. HASKELL,
Secretary

Montreal, March 23rd, 1928.

INTERNATIONAL PAPER COMPANY

New York, N.Y., February 29th, 1928.

The Board of Directors have declared a regular quarterly dividend of one and three-quarters (1¾%) per cent. on the Cumulative 7% Preferred Stock of this Company, and a regular quarterly dividend of one and one-half (1½%) per cent. on the Cumulative 6% Preferred Stock of this Company, for the current quarter, payable April 16th, 1928, to holders of record at the close of business April 2nd, 1928. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President and Treasurer.

Woods Manufacturing Company Limited

Preferred Stock Dividend Notice

The regular quarterly Dividend of One and Three-quarters (1¾%) per cent. on the PREFERRED STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending MARCH 31st, 1928, has been declared payable APRIL 2nd, 1928, to Shareholders of record MARCH 22nd, 1928.

By Order of the Board,

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, February 15th, 1928.

Barrister with fifteen years experience would consider position with commercial, industrial or mercantile concern.

Box 1, The Financial Post,
153 University Ave., Toronto, Ont.

BAKERIES GAIN IN WHOLESALE, RETAIL TRADE

Elimination of Overlapping Helps Former Continental Chain

Northern Bakeries' earnings are reported to be increasing steadily. The company's Montreal operating subsidiaries are said to have added materially to output, and yet have been able to reduce operating expenses by eliminating duplicated routes because of the fact that two of the companies there had been overlapping to some extent.

Earnings also have grown from the cake business. The wholesale business of the company, especially in cakes, has increased without sacrifice of volume of trade direct with consumers, and there is said to be an excellent goodwill among retailers.

Dividends Not Remote

Dividends on this stock are not a remote possibility. The company has a larger sum in cash than is required for the programme of betterment and expansion which has been laid down. Payments are possible soon, but the directors are believed to hold to the opinion that, as the company is less than a year old, there is no immediate obligation to shareholders in this regard.

It is noteworthy that this company is now known as a purely Canadian organization. When the bakeries were a subsidiary of a United States concern, there was tendency on the part of some consumers to trade elsewhere. This sales resistance was effectively overcome in June, 1927, when important Canadian financial interests acquired control. A wide distribution has been obtained for the stock and its favorable record on the market probably has been an effective, though intangible, benefit in the operations of the company.

Making Bond Salesmen

There are three groups of Bond salesmen.
1. Those who are making good now.
2. Those to whom making good always seems "just ahead."
3. Those who are discouraged to the point of admitting failure.

Hundreds of near failures are making good; hundreds of near successes are being turned into actual successes; hundreds of fellows who were making good are being given the training and viewpoint which helps them toward even better accomplishment.

It is a simple statement of fact that the Babson Institute Course of Training in Investments and Bond Salesmanship is accomplishing these things—it is truly "Making Bond Salesmen."

Get our free booklet 243 "Security Salesmanship—the Profession," which will give you an understanding of why this is so.

Babson Institute Babson Park, Mass.

Bank Clerk: Have you anything to identify yourself by?

Fair One: Er—yes, if you must know; I have a mole on my left arm.
—Comments

THE TRINIDAD ELECTRIC COMPANY, LTD.

Notice is hereby given that a dividend of 1¼% for the quarter ending March 31st, 1928, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each Shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of April, 1928.

The transfer books of the Company will be closed from the 1st to the 10th of April, 1928, both days inclusive.

By order of the Board.

F. B. OXLEY,
Secretary.

To the Holders of the
TWENTY-YEAR GENERAL MORTGAGE GOLD BONDS, Series "A", of

The Spanish River Pulp and Paper Mills, Limited

secured by Deed of Trust and Mortgage dated March 1st, 1921, made between The Spanish River Pulp and Paper Mills, Limited, of the First Part, and Montreal Trust Company as Trustee, of the Second Part:

NOTICE IS HEREBY GIVEN that The Spanish River Pulp and Paper Mills, Limited, will, in accordance with the provisions of the Deed of Trust and Mortgage above mentioned, redeem on the first day of May, 1928, at the office of the Trustee, Montreal Trust Company, 61 Yonge Street, in the City of Toronto, Canada, all the Twenty-Year General Mortgage Gold Bonds, Series "A", secured under said Deed of Trust and Mortgage, and now outstanding, by payment to the Holders thereof, upon presentation and surrender of their respective bonds, of the principal amount thereof with a premium of Six (6) per centum thereon and interest accrued to said date of redemption.

Holders of said Bonds are hereby required to present their Bonds with all unmatured coupons, including coupon number 15, due May 1st, 1928, attached thereto, at the office of said Trustee in Toronto for redemption on said 1st day of May, 1928, after which said date interest on the bonds will cease to accrue.

Dated at Toronto, the twenty-second day of February, A.D. 1928.

THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED,

By order of the Board.

G. H. MEAD,
President.

J. G. GIBSON,
Secretary.

Canadian Industrial Alcohol Company Limited

Dividend Notice

Notice is hereby given that a dividend of thirty-eight cents (38c) per share has been declared on the Capital Stock of this Company for the quarter ending 31st March, 1928, payable 16th April, 1928, to shareholders of record at the close of business on 31st March, 1928.

By order of the Board.

J. GIBSON LAWRENCE,
Secretary.

Maple Leaf Milling Company Limited

Preferred Dividend No. 71

Notice is hereby given that a dividend has been declared for the quarter ending April 3rd, 1928, of one and three-quarters per cent. (1¾%) on Preferred Stock, payable April 18th, 1928, to Shareholders of record at close of business, April 3rd, 1928.

By order of the Board.

J. A. LEHMAN,
Secretary.

Pure Gold Manufacturing Company Limited

Toronto, Canada

Notice is hereby given that a dividend of Fifty Cents per share on the paid-up capital stock of the Company has been declared payable Monday, 16th April, 1928, to shareholders of record at the close of business on the 31st March, 1928.

By order of the Board.

J. C. JAMIESON,
Secretary.

Toronto, March 27th, 1928.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on April 1st, 1954, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of April 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

DIVIDEND NUMBER 174

HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

(No Personal Liability)

A dividend of 2% on the outstanding capital stock of the Company has been declared payable on the 21st day of April, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 4th day of April, 1928.

Dated the 28th day of March, 1928.

I. McIVOR,
Assistant-Treasurer.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable April 2nd, 1928, to shareholders of record as at the close of business March 15th, 1928.

W. S. BARBER,
Secretary.

March 20th, 1928.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on October 1st, 1955, will be redeemed by the Company pursuant to the terms of the said Deeds, on the First day of April, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof with the coupons maturing on April 1st, 1928 and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

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The Financial Post
TORONTO MONTREAL

BRITISH COLUMBIA HAS BUSIEST YEAR IN GRAIN TRADE

Already 62,000,000 Bushels of Wheat Received at Coast Ports

From Our Own Correspondent

VANCOUVER.—With more than four months of the crop year to run, the actual shipments of grain through Vancouver and Prince Rupert are higher than either receipts or shipments during any full crop year in the past.

From August 1 last to March 19 of the present year, there were shipped through Pacific Coast ports, 56,199,000 bushels of grain. The previous full season record for grain handled at the Pacific Coast was 55,789,000 bushels, which passed through the public and private elevators at Vancouver in 1924. Of the shipments this year, 51,157,000 passed through Vancouver and 5,042,000 through Prince Rupert.

Larger Shipments

Up to the same date last year the total shipment through Pacific Coast ports amounted to 26,930,000 bushels. Receipts of grain at Pacific Coast ports up to March 19 were about 6,000,000 bushels in excess of the shipments. The total receipts were 62,159,000 bushels, of which 56,146,000 were received at Vancouver and 6,013,000 at Prince Rupert. The total receipts at Pacific Coast ports up to the same date last year were 34,420,000 bushels.

Additional impetus to the movement was provided by the decision of Great Lakes shipping owners to postpone the opening of lakes navigation until May 1, instead of mid-April as usual. This means that more than three times the usual amount of wheat will be booked for loading at this port.

Under normal conditions the Oriental demand for grain draws considerable parcels here for April loading, and this movement will continue, although it will be overshadowed by the United Kingdom-Continent demand, which is usually satisfied from the head of the lakes. The Vancouver Merchants Exchange figures show 10,750,000 bushels already booked for April loading here. Of this total 2,500,000 bushels is for the Orient.

W. KOOTENAY POWER PROFITS LARGER

Gross Was $1,923,701 Against $1,660,669 in Previous Year

From Our Own Correspondent

MONTREAL—Once again the annual report of the West Kootenay Power and Light Company, covering the 1927 fiscal year, reveals a substantial increase in earnings, both gross and net. The results of the year's activities can be seen in the following comparison of income account figures over the past three years:

	1927	1926	1925
Gross	$1,923,701	$1,660,669	$1,041,125
Expenses	522,685	385,387	344,772
Bond int.	160,663	221,582	172,751
Deprec.	507,232	465,072	364,863
Writ. off	......	146	311
Sink. fund	105,479	99,262	95,854
Other int.	13,591	4,487	23,206
Balance	614,051	484,733	39,368
Dividends	35,000	35,000	35,000
Balance	579,051	449,733	4,368
Tax adjust.	......	......	870
Surplus	579,051	449,733	5,238
Prev. bal.	466,339	16,609	11,374
P. & L. bal.	1,045,390	466,342	16,612

The increased power sales during the year virtually came entirely from Consolidated "Smelters," the parent organization.

Balance Sheet Position

The company's balance sheet reveals the increase in the surplus account noted in the foregoing figures and an increase of $100,000 in reserve account. Plant account is now carried on the books at $9,214,574 as against $7,732,229 a year ago. Other changes in the figures were not of a significant character.

The report to the shareholders reviews comprehensively the year's operations and says that the company had to sell power to the Granby Consolidated Mining and Smelting Company at a substantially lower rate than in 1927 to assist that company to carry on, despite the low price of copper.

The report reviews the development work taking place at the number three plant at South Slocan. The rock excavation for the intake of the plant was 90 per cent. completed at the close of last year.

Zimmerknit Operation Now on Much Larger Scale

HAMILTON.—Due to economies effected by way of reduction in overhead, since consolidation with the Harvey Knitting Company, which operates two plants in Woodstock, earnings of Zimmerknit Limited are stated considerably in excess of original expectations.

It is further stated that the business of the Company has shown an increase of 25 per cent. this year to date, the increase having been divided between domestic and export trade. Plant extensions and additions to existing plants in Hamilton and Woodstock are now under way and these will be completed and in operation within the next few months. These enlargements will give the company 30 per cent. larger capacity.

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What King's Cabinet Has Done to Tariff

Bald Record of Tariff Slicing and Slashing is Given by Prime Minister in Budget Address

Whatever of the record of the present government at Ottawa remains a matter for argument, there is no doubt of its policy and practice on one point; it has steadily and persistently reduced the tariff. Its friends praise it for the policy; its enemies condemn it; all admit the fact. Item after item in the tariff has been attacked with the pruning fork; sometimes a gentle slice has been carved from the protection that existed in 1921. Sometimes the attack has taken the form of a deep slashing. On the whole the policy has pursued the avowed Liberal platform plank of reducing the tariff on goods used in the national industries—farming, fishing, mining and forestry. Industries that have suffered directly have, in many cases, been given compensating relief in the form of drawbacks on their raw materials.

Recently Mr. King placed in Hansard a record of the tariff reductions and the new drawbacks granted by his government. It took about 20 pages in Hansard. Mr. King was criticized for having disobeyed the rules of the House in putting such a long statement—unread—into the record of the debates of the House. Chastened, he apologized, but the record remains. Liberals would call it a record of achievement; Progressives a record of half measures; Conservatives see in it a record of national shame and disaster.

It would take about two solid pages in this paper to present Mr. King's statement in full. No newspaper in Canada, apparently, has even run a summary.

The Financial Post has attempted to boil down Mr. King's statement to its very essence. In doing this job of condensation, it has been necessary to leave out lengthy descriptions of tariff items. In the table below, only the reductions in the general tariff are indicated except where the change affected only the British preferential rates and in such cases it is so indicated. Those who desire to study the tariff reductions in detail will find them in the House of Commons debates of March 13, 1928.

Tariff Reductions

	Rates of duty 1921	1928	Reduction
Farming			
Mowing mchs., etc.	12½	6	6½
Cultivators, etc.	15	7½	7½
Ploughs, threshers	17½	10	7½
Rollers, etc.	20	10	10
Axes, scythes, etc.	22½	20	2½
Shovels, spades	32½	20	12½
Farm wagons	20	10	10
Fertilizers	10	Free	10
Fish meal mchy.	27½	Free	27½
Farm sleds	25	10	15
Cresylic acid (for disinfectants)	22½	Free	22½
Fertilizer raw materials	Various	Free	17½ to 35
Liquid disinfectants	25	Free	25
Dry disinfectants	25	Free	25
Chinchilla rabbits	25	Free	25
Angora rabbits	25	Free	25
Pasteurizers	27½	10	17½
Power generators for farmers	27½	10	17½
Dry disinfectant chemicals	17½	Free	17½
Small onion plants	30	Free	30
Iron and steel for farm implements	Drawback was 30 per cent. on some items and 99 per cent. on others. Now all free.		
Raw materials for farm implements	12½-37½	6	6½-31½
Fruit Growing			
Spraying machines, pruning hooks, etc.	20	10	10
Poultry Raising			
Incubators	25-30	10	15-20
Dairying			
Milk cans	25	20	5
Tin hollow-ware, milking machines	20	10	10
Testing machines	25	10	15
Mining and Quarrying			
Well drilling mchs.	27½	5	22½
Xanthates for concentrating	17½	Free	17½
Cresylic acid	22½	Free	22½
Oil shale mchy.	27½	Free	27½
Miners lamps	30	Free	30
Iron ore sintering mchy., blast furnace machinery	27½	5	22½
Handling mchy.	27½	Free	27½
Underground locomotives	35	20	15
Concentrating mchy.	27½	20	7½
Mine hoists	27½	20	7½
Crushers, drills, etc.	27½	20	7½
Coals washing, coke making and distillation machinery	27½	12½	15
Lumbering			
Saw mill mchy.	27½	20	7½
Logging mchy.	27½	20	7½
Logging wagons	25	10	15
Logging sleds	25	10	15
Fishing Industry			
Rope	25	Free	25
Marline	25	Free	25
Boat engines	27½	15	12½
Aluminum net floats	25	Free	25
General Industry			
Mchy, parts and dies, not over $500 and not made here	27½	..	16½
(Now 60 per cent. drawback)			
Pulp for wallboard	25	5	20
Acetate of lime or calcium acetate	17½	Free	17½
Shafts and heads for golf clubs	25	10	15
Peanut oil for bond	17½	Free	17½
Iron or steel scrap	$1 ton	Free	$1 ton
Old rails	$7 ton	Free	$7 ton
Copper bars for electrical conductors, cast	1½c. lb.	Free	1½c. lb.
Do., rolled	10	Free	10
Iron and steel for band saws	30	12½	17½
Grass for furniture	25	Free	25
Stearic acid for candles	20	Free	20
Bitum. coal	53c. ton	50c.	3c.
Tree seeds	10	Free	10
Angostura bitters (pref.) (from B. W. I.)	$10 gal.	$5	$5
Zinconium silicate	17½	Free	17½
Tin coated sheets	12½	5	7½
Autos up to $1,200	35	20	15
Autos over $1,200	35	27½	7½
Motor trucks	35	20	15
Motorcycles	35	20	15
Tops, wheels and bodies	35	30	5
Auto parts, except engines	Various	Free	Various
Engines, etc., for trucks	Various	20	about 9%
Castings for shot guns	27½	10	17½
Walnut gun stocks	25	15	10
Aircraft engines	27½	10	17½
Ethylene glycol for explosives	17½	Free	17½
Marine sponges, preferential	12½	Free	12½
Pulpboard for wrapping	25	10	15
Calcium chloride for roads	15c. cwt.	Free	15c. cwt.
Crude petroleum for refining	Various	Free	Various
Nickel chromium	17½	Free	17½
Printing presses, etc., preferential	5	Free	5
Feeding machines for above, general	27½	10	17½
Offset presses	27½	10	17½
Press and sterio. blankets	Various	10	Various
Mchy. for weaving, spinning and knitting, preferential	10	Free	10
Cork slabs, tiles, etc.	30	25	5
Articles of General Consumption			
Boots and shoes, pegged or wire, preference	17½	15	2½
Other boots and shoes, preference	20	15¾	4¼
Sugar above No. 16 (per cwt.)	$2-2.39	$1.50-1.89	50c.
Sugar for refining and under No. 16 (per cwt.)	$1.1608 to $1.8325	70.851c. to $1.47606	45.229c. to 35.644c.
Green coffee, preferential	2¼c.	Free	2¼c.
Cocoa butter, preferential	1½c.	Free	1½c.
Ginger and spices, preferential	10	Free	10
Nutmegs and mace, preferential	12½	Free	12½
Arrowroot	½c. lb.	Free	1½c. lb.
Table salt	25	15	10
Pineapples in pkgs., preferential	1¾c. lb	½c.	1¼c.
Palm oil	17½c.	Free	17½c.

Additional changes in textile duties under budget of 1928:

The maximum duty under the General Tariff is reduced from 37½ per cent. to 30 per cent., with a single exception.

Cotton yarns, 40's and finer, are made dutiable but the rates are reduced on the coarser counts of yarn.

Gray (unbleached) cotton fabrics are reduced by 2½ per cent. in the intermediate and general tariffs.

Printed and dyed cottons are reduced 2½ per cent. in the British preference, 5 per cent. in the intermediate and 5 per cent. in the general tariff.

Yarn-dyed fabrics are reduced 2½ per cent. British preference, 5 per cent. in the intermediate and 2½ per cent. general.

On a large range of household cottons, such as tablecloths, counterpanes, sheets, quilts, towels, plain curtains, etc., there are reductions of from 5 to 10 per cent. in the British preference rate, from 2½ to 5 per cent. in the intermediate, and from 2½ to 5 per cent. in the general.

Blankets of cotton are reduced 7½ per cent. in the British preference rate, the intermediate and the general.

Cotton embroideries, laces, etc., are reduced, roughly, 5 per cent. on all tariffs.

Cotton clothing and manufactures of cotton show reductions ranging from 2½ to 5 per cent. on all tariffs (with very few exceptions, due to reclassification).

Yarns for weaving are reduced from various duty ranges (chiefly 12½, 17½ and 20) to Free under the British preference rate, 10 under the intermediate and 12½ under the general rate.

Dress goods in the gray for dyeing or finishing in Canada are reduced 5 per cent. under the British preference rate.

Lustres and linings are reduced from 20, 30 and 35 per cent. to 10, 20 and 25 per cent.

Woolen fabrics not over 5 ounces in weight per square yard are reduced 2½ per cent. in the British preference rate.

Cheaper ranges of woollen socks and stockings are reduced 5 per cent. in all tariffs.

Knitted goods of all kinds, valued at not more than 90 cents per pound are reduced 5 per cent. in the British preference rate.

Flax, Jute, Hemp, Etc.

There are reductions in the British preference rate (2½ per cent.) on the finer grades of linen, as well as on plain and fancy linen handkerchiefs.

Manufacturers of flax, not otherwise provided for, formerly rated at 25 per cent. under the British preference tariff are reduced to 22½ per cent.

Oiled clothing of cotton or linen is reduced 5 per cent. on British preference and intermediate tariffs.

Silk and Art Silk

There are practically no changes in rates affecting silk and artificial silk but the items are reworded and reclassified to conform with those comprising the wool and cotton schedules.

Drawbacks granted by the government are as follows, the technical descriptions of the different items again having had to be eliminated to save space.

New Drawbacks Not Included Above

	%
Materials used in certain articles	40
Materials used in certain articles	30
Materials used in certain articles	99
Hatters' materials	99
Materials in trusses, etc.	50
Materials for hat sweats	99
Materials used in certain articles	50
Artificial silks for mfg.	60
Oil for rope	99
Glass tubing, for lab. apparatus	99
Soda ash, for sal soda	99
Machinery, parts and dies for goods not made in Canada	60
Materials used in certain articles	40
Copper for wire and cables	99
Materials used in certain articles	99
Materials for malleable iron castings ..	99
Artificial silks, under certain conditions	80
Bar iron or steel used in certain articles	99
Materials used in certain articles	99
Materials used in certain articles	30
Bags, boxes and barrels for salt	60
Materials for cyanides	99
Materials used in certain articles	99
Fire brick for steel mills	99
Materials for tubes	99
Materials for certain articles	99
Materials for certain articles	99
Materials for certain articles	99
Materials for certain articles	50
Bituminous coal for coke	99
Sugar for loganberry wine	99
Artificial silk tops up to Jan. 1, 1928 ..	80
Cellulose acetate for manufacture up to Dec., 1927	99
Cellulose acetate yarns for mfg.	80
Materials for certain articles	25
Botany yarn, up to Oct., 1928	99
Fabric for hat linings	99
Wool yarns for stockings, up to Oct, 1928	99
Materials for hat sweats, cap peaks, etc.	99
Paper for magazines	80
Bookbinders' cloth	99
Materials for certain tools	60
Materials for aircraft engines	50
Steel tubes for natural gas mains	50
Bituminous coal for salt	99

TAKE IN "E"—

Mr. King gave no record of increases made in the tariff by his government but they have been inconsequential.

Incidentally it should not be forgotten that tariff treaties have effected many additional reductions.

HALIFAX PLANS FLYING FIELD

Halifax is now considering the establishment of a municipal flying field. A Halifax to Montreal air mail route is considered as a first essential to the development of a Canadian air mail service in connection with trans-Atlantic postal despatch.

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CANADIAN ROADS SET NEW RECORDS IN FREIGHT MOVED

Lower Rates and Higher Expenses Bring Down Net Earnings

Canadian railways made new high records in 1927 in the gross revenues which were the largest ever earned, and in the tons of freight carried, and the revenue ton-miles also surpassed all previous records.

Although gross operating revenues were greater than in 1926 by $5,414,075, or 1.1 per cent., the operating expenses increased by $12,730,825, or 4.7 per cent., which reduced the net operating revenues by $12,730,825. This is more clearly shown in the following table:

CANADIAN RAILWAY FINANCES
(In Thousands)

	1926	1927
Operating revenue	$488,160	$493,574
Operating expenses	384,615	402,759
Mileage operated	39.0	39.4
Ratio of expenses to revenues	78.79%	81.60%

Payroll Increases

Outstanding among the increased items of expenditures was the payroll, which was larger than in 1926 by $14,062,442, and was exceeded only by the 1920 payroll. The ario of payroll to operating revenues last year was 51.8 per cent., and compared with 49.4 in the preceding year. Maintenance of way and structures was heavier by $5,348,620, or 6.7 per cent.; maintenance of equipment by $2,054,524 and transportation expenses increased by $8,241,532.

Traffic Sets Record

Freight traffic carried in 1926 was the previous high record for Canadian railways, but the revenue freight carried in 1927 was heavier by over half a million tons. Forest products contributed 623,407 tons of the increase, pulpwood being particularly heavy with an increase of 693,200 tons and was second only to clay, gravel, sand and crushed stone which increased by 783,052 tons.

Manufactures and miscellaneous freight showed an increase of 301,823 tons, mainly from increases of 206,185 tons of refined petroleum and its products, gasoline being the principal commodity in this group, 176,951 tons of cement, 112,377 tons of fertilizer, 100,687 tons of paper and printed matter and 107,050 tons of merchandise.

The decrease of 54,290 tons in automobile tonnage was entirely in the traffic passing through Canada as the loadings and imports both show increases. Sugar showed a decline of 80,245 tons, loadings in Canada and in-transit freight showing declines.

Bar, sheet and structural iron and iron pipe was lighter by 80,572 tons, entirely from decreases in imports and in-transit freight as the loadings increased by 31,159 tons. The increase of 65,607 tons in agricultural implements, practically all in loadings and imports, and of 112,377 tons in fertilizers indicates increased activity and development in the farming industry.

Utilizing Raw Materials

The very large increase in the movement of pulpwood with the increase in the tonnage of paper and the decrease in the wood pulp traffic indicates that a larger amount of pulpwood is being manufactured into paper in self-contained mills instead of into wood pulp for other mills. The exports of wood pulp also show a decrease but the exports of paper, printed matter and books increased.

Decreases in loadings and imports of canned meats were partially offset by an increase in the in-transit freight; but other canned goods declined in the in-transit shipments.

Agricultural products show a small increase, the declines in oats, hay and straw, barley, flax, flour, apples and other fresh fruits, reducing the gains made by wheat, rye (both Canadian and United States) and smaller increases made by other commodities.

Animal products were lighter than in 1926, sheep, hogs, eggs, wool, hides and leather being the only commodities to show increases.

Anthracite coal showed a decrease, but the decline in bituminous coal was more than offset by an increase in lignite coal. The increases in clay, gravel, sand and crushed stone and in asphaltum were undoubtedly due to extensive road work and other construction.

Except for the freight handled entirely by water routes, the above gives a very complete picture of the movement of freight in Canada and in the Prairie Provinces, where practically all freight is handled by the railways.

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Drill in Kenora Area

Diamond-drilling operations are being carried out on Stevens and Mikado Islands in the Kenora area, under the direction of Percy Hopkins, M.E. Reports of results obtained will be anticipated with much interest. Toronto interests are providing the funds.

Toronto Brewing Shows Surplus in First Period

Earnings of Toronto Brewing & Malting Co. are reported to be satisfactory, although the figures have not been published. The company ended its first fiscal year with a surplus, it is said, despite the fact that it was some time after the organization of the company before the brewery on Dundas street west, Toronto, got into full operation.

Sales in the current year show a gradual increase.

The stock was issued about a year ago at $12 the share. It is a fairly active issue on the Toronto curb. Recent transactions have been at from 10 to 10½.

WOULD NOT OPPOSE THEM

A. E. Phipps, president of the Canadian Bankers' Association, was the victim of a typographical error in this department last week. Before the Banking and Commerce Committee of the House of Commons, he was made to say that "the present banks would not lift a finger to approve anyone who wanted to establish a new bank." What Mr. Phipps actually said, when he was asked if the present banks had any objection to the establishment of further banks in Canada, was that they would not "raise a finger to oppose them." Which is a different matter entirely.

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J. & R. Wilson, Port-of-Spain, Trinidad.
Lester W. Huddle, Kingston, Jamaica.
H. P. Surrey, Shanghai, China.

Montreal Tramways Company

SEVENTEENTH ANNUAL REPORT

For the Fiscal Year Ended December 31st, 1927

TO THE SHAREHOLDERS:—

Your Directors beg to submit their Annual Report for the year 1927, showing the results obtained from the operations under the Contract with the City and the share of the Gross Revenue accruing to the Company under the provisions of the Contract and the disposition of same.

The operations under the Contract show the following results for the year:—

Revenue:			
Passenger Earnings		$12,805,423.55	
Miscellaneous Earnings		280,686.23	
Autobus Service:			
Gross Revenue	$787,200.46		
Less Interest on Investment, Operating Expenses and other charges	766,363.04		
Net Revenue		20,837.42	$13,106,947.20
Appropriated from Unredeemed Ticket Account, by special resolution			621,206.39
Gross Revenue			$13,728,153.59
Expenditures:			
Operating Expenses and Taxes		$ 6,760,074.15	
Operating Profit (to the Company)		57,350.54	
Maintenance and Renewals		2,478,642.34	
Total Operating Expenses			9,296,067.03
Net Earnings			$ 4,432,086.56

Distribution of Net Earnings:	
To the Company:	
For Return upon Capital Value:	
6% on $36,286,295.00	$ 2,177,177.70
Interest on additional Capital Expenditures	514,725.03
Interest on Working Capital	5,807.03
Total	$ 2,697,709.76
Which amount, together with the Operating Profit of $57,350.54, the Interest on Investment in Autobus Service of $61,044.44, and 20% of the Divisible Surplus, amounting to $124,241.28, a total of $2,940,346.02 constitutes the Company's Revenue from the Contract.	
For Expense of Financing—(½ of 1%) of the sum of $36,286,295.00 is allowed annually to the Company to cover the expense incurred in procuring additional capital. This amount is carried direct to "Reserve for Financing"....	181,431.47
For Rental to the City of Montreal	500,000.00
For Contingent Reserve Fund	431,738.94
Divisible Surplus	621,206.39
	$ 4,432,086.56

Divisible Surplus distributed as follows:—	
City, 30%	$186,361.92
Company, 20%	124,241.28
Tolls Red't. Fd., 50%	310,603.19
	$621,206.39

REVENUE ACCRUING TO THE COMPANY

The Gross Revenue for the year accruing to your Company from the Operations under the Contract, together with the Miscellaneous Revenue from other sources, has been distributed as follows:—

Revenue:		
Allowances from Contract:		
Return upon Capital Value		$ 2,697,709.76
Operating Profit		57,350.54
Interest on Investment in Autobus Service		61,044.44
20% of Divisible Surplus		124,241.28
Other Revenue (Outside of Contract)		67,783.91
Total Revenue		$ 3,008,129.93
Expenditures:		
Interest on Bonds and Loans	$ 2,120,721.90	
Other Expenses	4,921.59	
Total Expenses		2,125,643.49
Net Income		$ 882,486.44
Less Dividends at the rate of 10% per annum payable quart.		499,602.50
Surplus for the year		$ 382,883.94
Add Surplus at December 31st, 1926		1,293,197.17
General Surplus		$ 1,676,081.11

Your Directors consider that the results obtained during the year as shown above are satisfactory.

UNREDEEMED TICKET ACCOUNT

Your Directors desire to report that an agreement has been reached between the City of Montreal and this Company, with the approval of the Montreal Tramways Commission, whereby the amount of $1,121,206.39 now at the credit of the "Unredeemed Ticket Account" be reduced to $500,000 and the difference or $621,206.39, be added to the Gross Receipts under the Contract for the past year; the sum of $500,000 to belong to the Company but to be retained as a permanent Reserve; the Company assuming the obligation of redeeming all outstanding tickets that may be presented. At the end of each fiscal year any amount remaining at the credit of the current Unredeemed Ticket Account shall be added to the Gross Receipts of the Company to be employed in accordance with the terms of the Contract.

It may be pointed out that the large amount at the credit of this fund at the end of our fiscal year accrued from the beginning of the Contract (1918), and the experience gathered during that period justifies the action taken.

Your Directors wish to further state that the amount of $621,206.39 transferred from the Unredeemed Ticket Account added to the Results of the Operations for the year have produced sufficient net revenue to enable the Company to increase the amount of the Contingent Reserve to a total of $500,000, and in addition to meeting all prior requirements of the Contract, leaves a balance of $621,206.39 applicable to a Divisible Surplus, which under the terms of the Contract is divided as follows:—30% thereof to the City of Montreal, 20% to the Company and 50% to the Tolls Reduction Fund, the City thereby receiving $186,361.92, the Company $124,241.28, and the amount of $310,603.19 transferred to the Tolls Reduction Fund.

AUTOBUS SERVICE

The Autobus Service has maintained its popularity with the public and twenty additional buses have been placed in operation on various routes. In addition to certain extensions having been made to the routes an Autobus Service was placed in operation on Guy Street from the corner of St. Catherine Street south to Pointe St. Charles; this service replacing the tramways service previously in operation. It was felt that due to the difficulty of operating a tram service on this line because of the Canadian National Railway tracks and Canal, that an Autobus Service would prove more satisfactory to the public because of its flexibility, and as the City was proceeding with the work of widening Guy Street as well as the laying of a permanent pavement, it was thought a proper time to make this change. We are pleased to state that the Autobus Service has given a more rapid and satisfactory service between Pointe St. Charles and the upper section of the City, and has been favourably commented upon by our patrons.

SUBWAYS UNDER CANAL

Due to the numerous interruptions to traffic, caused by the opening of the bridges over the canal at Wellington Street and Atwater Avenue, and the resultant serious delays to traffic generally, as well as annoyance to the public, it has been decided, after careful study on the part of the City and the Company, that these delays could only be satisfactorily overcome by the construction of subways under the canal at these two points. The City and the Company are agreeable to bearing their proportion of the cost of a Subway at Wellington Street, immediately, provided the Federal Government, which is also concerned in the matter, agrees to assume its proportion thereof. Your Directors feel that if these proposed subways were constructed, all traffic would be materially benefited between the two sections of the City separated by the canal, and hope the Federal Government will bear its share of this undertaking, so that the work in connection therewith may be started at an early date.

TERMINAL DIVISION

Your Directors desire to report that the sale of the Terminal Division of the Company from Lasalle Avenue eastward to the Canadian National Railways was completed during the year, this railway being replaced by a line on Hochelaga Street from Pie IX Boulevard to George V Avenue thence southerly to Notre Dame Street. The Notre Dame Street line was extended from Ladouceur Street to Bout de l'Ile. It is your Company's opinion that the new route being situated in Districts more thickly populated and being free from delays and dangers of Steam Railway Crossings and switching, should prove more remunerative and convenient to our patrons.

POWER PLANTS

The Company is continuing to make extensions and improvements to its Power Distribution plants.

The Verdun Mercury Arc Rectifier Automatic Sub-Station referred to in the last Annual Report was put into service in February, 1927, with an initial capacity of 2,400 K.W., and has been giving satisfaction. An additional unit of 1,200 K.W. capacity will be installed during 1928.

A new 2,000 K.W. Rotary Converter was installed in the Mount Royal Sub-Station, and extensions are being made at St. Henry Sub and Distribution station increasing the present capacity from 2,500 K.W. to 3,500 K.W. with provision for the installation of another 1,500 K.W. Motor Generator Set.

It is the Company's intention to erect a new Mercury Arc Rectifier Automatic Sub-Station on our property at Rockfield on the Lachine line, with an initial capacity of 2,400 K.W. This station will serve the Lachine line, and also Notre Dame de Grace during the heavy load periods.

Plans are also being prepared for a similar station at the north end of the Island.

GENERAL

Following an order given for additional Rolling Stock early in the year, the Company was able to place in operation fifty new cars comprising all the latest improvements, this being in line with your Company's policy in providing the best service available, and it is pleasing to note that these new cars have received very favourable comment from the public and the press.

In last year's annual report, reference was made to the necessity of a thorough study of traffic conditions in Montreal.

Your Directors wish to report that surveys are being made by competent traffic and rapid transit engineers and a mass of traffic data has already been compiled, and plans and profiles prepared showing proposed methods of relieving congestion in the central portion of the City.

Your Directors are assured of the cordial co-operation of the Montreal Tramways Commission and the City of Montreal in planning for more adequate means of transportation for the rapidly growing population.

The Company's Rolling Stock, Tracks, Overhead lines and buildings have been maintained to a high point of efficiency during the year.

Submitted on behalf of the Board of Directors,

JULIAN C. SMITH, President.

GENERAL BALANCE SHEET

December 31st, 1927.

ASSETS

Fixed Assets:—		
Cost of Road and Equipment	$41,122,839.52	
Track Construction	3,171,823.88	
Electric Construction	1,101,405.77	
General Construction	40,392.48	
Real Estate and Buildings	1,555,061.05	
Rolling Stock	2,417,427.14	
Power Plants	1,314,985.86	
Tools and Machinery	54,630.03	
Miscellaneous Equipment	255,038.73	
Office Furniture	20,621.76	
		$51,054,226.22
Investments		125,017.15
Current Assets:—		
Cash in Bank and on hand	921,982.82	
Call Loans	500,000.00	
Guarantee Fund	500,000.00	
Maintenance and Renewals and other funds	519,875.00	
Accounts Receivable	65,589.63	
Stores	535,054.94	
		3,042,502.39
		$54,221,745.76

Verified:—
SHARP, MILNE & CO., C.A., Auditors.

LIABILITIES

Fixed Liabilities:—			
Capital Stock (Common)		$ 5,000,000.00	
First and Refunding Mortgage 5% Gold Bonds, due July 1st, 1941:			
Authorized	$25,000,000		
Issued and Outstanding....		21,351,000.00	
General and Refunding Mortgage Sinking Fund 5% Gold Bonds, due April 1st, 1955:			
Series "A" Authorized and Issued		17,826,500.00	
Series "B" Authorized	$ 5,000,000		
Issued and Outstanding....		2,500,000.00	
Mortgages		145,843.00	
			$46,823,343.00
Current Liabilities:—			
Loans		50,000.00	
Accounts and Wages Payable		864,302.47	
Accrued Interest		254,226.12	
Employees' Securities		27,216.04	
Unclaimed Dividends		1,956.57	
Suspense Account		452,923.46	
Dividend payable January 15th, 1928		125,000.00	
City Rental quarter ended Dec. 31st, 1927..		125,000.00	
			1,900,624.66
Reserves:—			
Reserve Account		$ 1,250,000.00	
Reserve for Financing		508,271.11	
Reserve for Unused Tickets		500,000.00	
Maintenance and Renewals Reserve		500,353.84	
Depreciation Reserve, Autobus		252,468.85	
Contingent Reserve Account		500,000.00	
Tolls Reduction Fund		310,603.19	
Surplus:—			
As on December 31st, 1926 ...	$1,293,197.17		
Add:—			
For year ended Dec. 31, 1927	382,883.94		
		1,676,081.11	
			5,497,778.10
			$54,221,745.76

Approved on behalf of the Directors:
GORDON W. MACDOUGALL, } Directors.
BEAUDRY LEMAN, }

Certified Correct:—
H. E. SMITH,
Comptroller.

Noble Five Mine in Slocan to be Actively Developed

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Smelters Report Indicates Further Decline in Costs

HUSH HUSH POLICY IS UNDER FIRE

Amulet's Directors Are Severely Scored by Fortnightly Review

ORE RESERVES GROW

Say Recent Decline Makes Stock More Attractive Than Ever

Amulet's directors are severely taken to task for their reticence in furnishing shareholders with news of the development of the property, the company's financial condition, and its general policy, in an article recently published in Gibson's Fortnightly Mining Review.

"'Treat 'em rough, and tell 'em nothing,' seems to be the prevailing policy of the Amulet directorate," says the article.

"Judging from the tenor of the official statement issued following the recent meeting of Amulet directors in Montreal, it says, Amulet shareholders must possess their souls in patience—or impatience — for a while longer, for so far as the directors are concerned, the policy of withholding all official information relative to the development of the property, the financial condition of the company, or their plans for bringing the mine to production, is to continue. Just why the need for all the secrecy is not apparent and the curt official announcement does not throw any light whatever on this phase of the situation.

"The policy of official silence, inaugurated late last Fall—after the stock had reached the climax of its sensational advance — is in strange contrast to the outpouring of optimistic information attributed to officials while the stock was soaring in price on the really important diamond drilling results last year."

Want Annual Statement

"Under ordinary circumstances, Amulet shareholders should have had an annual statement this month. With the reorganization of the company, however, the end of the fiscal year was set back to June 30th, and the new company's by-laws allow the directors till some time in September, three months further back still, to hold the annual meeting. Thus as things stand now the directors are not compelled to issue the annual report before June 30th and may withhold its publication until September if they see fit. If advantage is taken of the full period of grace it will mean that Amulet shareholders will have had no accounting from their directors for a period of eighteen months, as the last annual report was issued about a year ago this month. Under ordinary circumstances a company is required to give an annual report each twelve months. It is true that a statement of sorts was given at the time of the special meeting of shareholders to approve the reorganization earlier in the year, but the brief statement of diamond drilling results, as given, was wholly unintelligible to the average shareholder beyond telling him that ore had been encountered in drilling,' which was ancient history.

"On the question of ore reserves, Amulet shareholders have had no official word in over a year, so that if they were dependent entirely on official estimates it could only be assumed that former Manager Erickson's estimated $3,500,000 ore reserves in the original No. 2 still stands, although since that time the No. 2 itself has been considerably increased by subsequent drilling; the 8-9-10 and 11 shows, whose discovery last year caused all the fuss in the market, is said to have added largely to the mine's resources; and since the beginning of the current year, what is described as the 'most important single deposit in Rouyn' has been defined south of the fault in the No. 4 section.

"According to unofficial, but what we consider reliable advice, if the directors made public the report on ore reserves and indicated ore which is in process of preparation at the present time, it would show ore reserves conservatively figured at between $12,000,000 and $13,000,000 with several millions more definitely indicated. But if the latest official statement is to be taken at its face value, this report will not be given out till some time between the 30th of June and September, probably September. Undoubtedly by that time a further increase will have been made in both ore reserves and indicated ore.

No Advance Likely

"If the present policy of withholding all official information as regards Amulet's conceded important developments continues—and this is clearly the inference in the recent announcement,—it is not likely that the market for Amulet stock will show any radical improvement over current levels, until such time as the directors take the shareholders into confidence and tell them definitely what has been opened on the property.

"At the same time we see no reason to revise our often repeated conviction that the current market levels for the stock do not reflect the true position of the company, and it is on this account that we have consistently advised clients who are shareholders to retain their holdings. Furthermore we have recommended the purchase of the stock at higher prices than the present market and do so again now, the recent decline below $4 only making the stock more attractive than ever.

"In order to secure the enhancement in market value which seems fully warranted, it may be necessary to wait for another six months, but we are confident that the investment will prove worth it."

Obalski Stakes Claims After Aeroplane Flight

The Canadian mining industry is making extensive use of the aeroplane. In the Manitoba, the Ontario, and the Quebec mining fields, it is daily being made use of to bridge distances in the great hinterland.

Recently a plane was used in staking claims in a new section of the Quebec mining area when Herbert McKenzie of the Obalski Mining Syndicate, accompanied by Captain Picard flew from Roberval to Chibougamau, landed on Lake Obalski, and staked five claims. The return trip to St. Felicien was made two days later.

The Obalski Syndicate now owns 30 claims.

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FLIN FLON PLANS CALL FOR PLANT BY FALL OF 1930

Will be One of World's Largest Copper-Zinc Properties

RUSHING RAILROAD

The Flin Flon smelter will be in complete production by the fall of 1930 and will constitute one of the biggest and most productive copper and zinc properties, with a good percentage of gold in the world, according to R. E. Phelan, vice-president in charge of operations.

Some $10,000,00 will have been spent on the mining plant and smelter in the meantime. The capacity of the mill and concentrator is to be 3,000 tons a day, and the smelter is designed to handle its entire production. When completed, Flin Flon will afford employment to some 1,200 men, and a town of at least 6,000 will have sprung up about the works. The location of the townsite has not been definitely decided on, but it will be in Manitoba, although the mine itself straddles the Manitoba - Saskatchewan boundary line.

Push Forward Railroad

The work of constructing the railroad to the mine property is being pushed forward with all speed possible. It is now nearing the stage that will permit the bringing in of cement and structural steel, and by the summer of 1929, a permanent roadbed will have been established so that the heavy plant and machinery can be brought in and installed.

Design Plans

It is estimated that the work of designing the plans for the concentrator and smelter will require the services of a staff of 35 to 40 men, and that it will take a year to complete it. The work is in the hands of the General Engineering Co. C. E. Caffin is in charge of concentrator designs, and A. K. Williams of the smelter plans. J. E. Imrie will design the shops and accessory buildings needed for the project. About next August the whole work of designing will be placed in the hands of Jules Labarthe, who will come to Winnipeg directly from Georgia, in Soviet Russia, where he has been in charge of a big Manganese mining operation.

S. P. Low, who for the past year has overseen the operation of the test mill at Flin Flon will assist in the work, which is very complicated. While all the metallurgical processes to be used at Flin Flon have been previously used in one or other of the Whitney mining projects, the present occasion is the first in which every one of them will be needed to effect the desired recovery from the rather complex copper zinc ore.

Difficulties Overcome

All technical difficulties, however, have been ironed out, and the test mill, which began operation about a year ago, will be closed down in a few days time. This year, underground work will be continued at the mine, while the damming and draining of the south end of Flin Flon Lake will be proceeded with. The supplies necessary for this work will be rushed in over the new Flin Flon Railway as far as Cranberry Portage, 55 miles from The Pas, before breakup this spring, and from there be freighted by water to the mine. A big dock is being built at Cranberry Portage for this purpose.

Ownership of Property

So far as Manitoba is concerned, Flin Flon Mines, Ltd., own and operate all the properties connected with the project, all the stock in this company is owned by the Hudson Bay Mining and Smelting Company, Limited, the head office of which is in New York. The latter company's stock is listed in the stock markets, and represents Flin Flon to the investing public.

OPERATE 2 GROUPS NEXT TO FLIN FLON

Flintoba is Name of New Concern in Northern Manitoba Field

Fintoba is the name of a new mining company that has been organized to operate two groups of claims in the Flin Flon area. One group adjoins the proposed townsite at Flin Flon on the north and the other group is located a short distance to the south. Both groups adjoin the holdings of Hudson Bay Mining and Smelting. The total holdings are 1,050 acres and according to H. S. Shannon, Toronto, who recently visited the properties, there are encouraging finds ready to be explored.

It is understood that the Flin Flon railway will pass close to both groups. Assays of surface samples have shown fair gold, silver and copper values. The original discoverer, who has held the claims for some considerable time, has stated that the extent of the known mineralization, especially on the north group, is quite extensive.

Increase Directorate of Abana Mines, Ltd.

The directorate of Abana Mines, Ltd., is to be increased from five to nine members, according to a resolution adopted at the first meeting of the newly-elected board. A special general meeting of shareholders will be convened as soon as possible for the purpose of getting their approval to amend the by-laws to this effect.

Alfred Savard, Quebec, was re-elected president, and D. B. Rochester, Ottawa, vice-president. The meeting was attended by four of the five members of the board, the newly-elected member, Percy E. Vale, of Toronto, being the only absentee.

It is understood that the election of officers and the proposal to increase the number of directors were the only questions which came up at the meeting.

Find Ore on Foy Off-set

SUDBURY.—N. A. Timmins Inc., carrying out drilling operations on the Foy Off-set, North Nickel range, is reported to have encountered commercial ore over a good width in the first hole. This was sunk to a depth of over 500 feet on a lead-zinc-copper showing.

San Antonio in Manitoba Cuts New Vein in Shaft

San Antonio Mines has cut a new vein while engaged in sinking its shaft to the 600-ft. level. It is anticipated that the shaft will reach its objective shortly and cross-cutting to the vein will be immediately proceeded with.

John Martin, president of Provincial Paper Sales Ltd., has been elected president of San Antonio at a meeting of the new board of directors, while Thomas Ramsey, of Hamilton, has been made vice-president.

The Winnipeg officials of the company, comprising John Martin, Travers Sweatman and J. W. Ackland intend to fly to Rice Lake shortly to inspect the work being done, and there is a possibility of a progress report being issued before very long.

Dreams of Early Stakers Near Reality as Slocan Sees Noble Five Revive

Vancouver House Puts Up Money and Hon. James Dunsmuir's Old Pet, on Which $750,000 Was Spent, Will be Active Once More

By H H. CURRIE,
Special to The Financial Post

NELSON. — Dreams of the late Hon. James Dunsmuir, for a Noble Five that would be a great producing mine, ranking among the first in the Slocan, appear on the eve of realization under the arrangement of adding to the development and reserves of the Noble Five the reserves of the Surprise, which adjoins it, and of incorporating Noble Five Mines, to provide the capital to carry the program to the stage of large production.

On basic development and equipment of Noble Five, Mr. Dunsmuir spent, it is estimated, not less than $750,000, between 1914 and his death about 1921, and his program leading up to production was about completed when terminated abruptly.

Value of inclusion of Surprise property in the deal rests on the presumption that the ore body from which the Surprise people took $2,500,000 from the third level up in high grade ore—the Last Chance people taking $1,000,000 in lower grade ore from another part of the vein—has a downward continuation, that is commanded by Noble Five development. If this pans out, the Dunsmuir dream may even be exceeded.

According to details just made available by Paul Lincoln, the company just incorporated has acquired the two properties for cash—Noble Five from Mr. Linncoln, who was operating it on a bond from Mrs. Dunsmuir, and Surprise from the Rosebery-Surprise Mining Co., which is thus free to carry out its desire to

(Continued on page 25)

Subscribe $1,500,000 for Exploration Effort

Hammell's New Company Well Received — Five Aeroplanes Already on Order—Mode of Operations Outlined—Directors Announced

Northern Aerial Minerals Exploration, Jack Hammell's new exploration company, seems to have met with an excellent reception from the prospectors, mining engineers and large mining companies. His prospectus is about ready, yet the total applications for preferred shares is close to $1,500,000. Some very large blocks have been taken up, including one subscription from Winnipeg for $625,000. Others are for $100,000, $25,000 and on down. Orders are from various parts of the U. S. and one large one from England. In addition, several of the large mining companies have asked that the prospectus be sent along and they have intimated that they would participate..

Pres. Hammell has been showered with letters of congratulations from all parts of the globe. He has already placed an order for five Fokker cabin planes for long range work and will likely order three to five small planes later.

The plan will be to establish bases in charge of experienced prospectors with about two planes at each base. There will be about twenty field parties sent out from each base. It is proposed to give the aviators and prospectors an interest in any discoveries that they may make.

The prospectus sets out the object of the organization as follows:

The company has been formed for the purpose of thoroughly exploring for and developing the rich natural resources of Canada; of organizing the business of exploration and developing natural resources; and of bringing the modern high-powered, and completely proven airplane into active service for the purpose of prospecting for, acquiring, examining, exploring, testing, developing, operating and disposing of Gold, Silver, Copper, Nickel, Lead, Zinc, Tin, Iron, Coal and other precious, semi-precious, and base metal properties, and for the purposing of exploring for, prospecting, developing, operating and disposing of other natural resources, including Oil, Pulp and Timber Lands and Hydro-Electric Power, in the explored and unexplored Northern portions of the Dominion of Canada and elsewhere.

The President and Managing Director has had the benefit of long experience in northern mineral fields covering a period of over twenty years, and his successful personal prospecting, organizing of prospecting parties and developing prospects to a stage where they are mines, is so well and favorably known that it is unnecessary to go into details.

Scientific Exploration

In the opinion of the board of directors this organization can be made the most highly organized prospecting and developing agency that mining has had in Northern Canada. As is generally known, the mineral discoveries of the post in the Dominion have been made in many instances by more or less haphazard and necessarily difficult methods. Other most valuable mineral deposits have been discovered entirely by accident.

Until the advent of the airplane, and its post-war evolution into a safe, powerful and rapid means of transportation, prospecting on the most efficient lines could not be applied to Northern development. The airplane has overcome the principal difficulties of exploration and prospecting.

It is proposed to organize the country from an exploration and prospecting standpoint as completely and efficiently as a large commercial concern organizes its head office and factories, its provincial branches, and its local field forces. From one large central base, complete control of personell, aircraft, radio equipment, supplies, etc., will be exercised over all the company's operations. Bases will be established and equipped with aircraft in various centres throughout northern Canada.

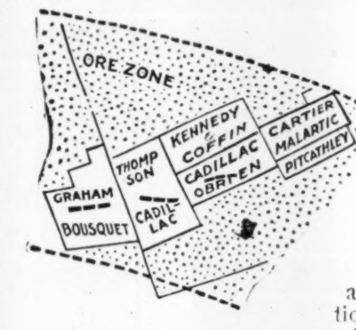
Contact With Prospectors

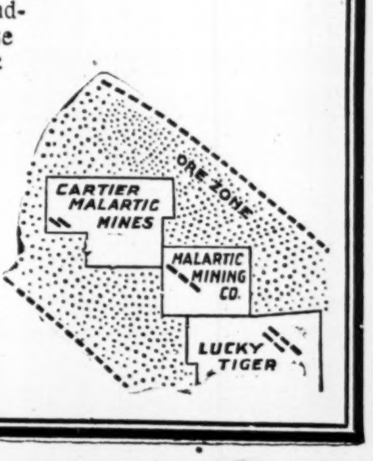
With the company completely organized, it will be able to place in the field parties of the most experienced prospectors available in Northern Canada.

The president has in his possession applications and offers of complete cooperation from the most outstanding men in the field. A number of these men have made the major mineral finds of the past twenty-five years; they have been associated with the President on many trails and in many new mining areas, and he has transacted business for them and with them on many occasions. Many of these men will be available to the company, with every prospect of adding to their mineral discoveries through their knowledge of distant fields, and the opportunity afforded them to operate with the difficulties of time, distance, short season, adequate supplies and long isolation overcome.

To have these leading prospectors working with the company, many of whom would make affiliations with no other company, is an invaluable asset of the Northern Aerial Minerals Exploration, Limited.

Capt. H. A. Oaks, a mining engineer, who has been manager of Western Canada Airways, will have charge of the aerial end of the organization. The company is being capitalized at 100,000 shares of 7 p.c. non-cumulative preferred of $50 par and the present offering is 50,000 shares at $50, with a bonus of one share of common. There are 250,000 no par common shares. The officers are announced as J. E. Hammell, president and managing director; J. H. Black, vice-president; R. Fennell, J. A. Richardson, Winnipeg; E. H. Rose, London, Eng. Mr. Rose is a director of Mining Corporation.



Developments in the Cadillac-Malartic area are of primary importance. A new gold camp is being rapidly established. Six months ago we recommended to our clients the purchase of Malartic Gold stock at 30c a share. We to-day call attention to the Graham Bousquet and Cartier Malartic, selling at 30c a share. These properties are now under active development.


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SMELTERS' COSTS TEND TO DECLINE; OUTPUT IS HIGHER

Increased Efficiency at Big Tadanac Plant Marked Past Year

HOLDS MANY OPTIONS

Consolidated Smelters lead production was up 11 per cent. and zinc 10 per cent. in 1927, according to General Manager S. G. Blaylock. These two metals make up the bulk of Smelters output. Gold production was down 40 per cent. and copper 10 per cent. with silver about the same. Due to the low price of base metals, the outlook for which Pres. Jas. J. Warren says is not promising, the big jump in quantity production of the two leading metals was not sufficient to take care of the losses in other metals and the decline in price value.

Rather an interesting point in Mr. Blaylock's report on the year is the fact that less than one per cent. of the lead bullion and zinc concentrates were exported, the plant at Tadanac treating and refining practically the total output of these metals. In other years heavy shipments were made to Belgium.

The report deals at some length with the increased efficiency of the great Tadanac plant which is showing a steady cut in costs. This not only improves "Smelters" profits but enables it to handle competition in a weak base metal market.

W. M. Archibald, mine manager in his report, gives information on several of the company's subsidiaries that are much in the public eye at present. "Smelters" is testing out a great many B. C. properties, which Mr. Archibald outlines.

Pres. J. J. Warren comments favorably on the reduction of taxes. He says:

"Both the federal and provincial governments have reduced tax rates—a step in the right direction—as a Government levy of over fifteen per cent. of the net profits of a mining company is hardly an incentive to capital to engage in such a hazardous enterprise as mining. At the same time the difficulties and obligations of post-war governments must be admitted and acknowledgment made that both governments are doing their best to lighten as much as possible the burdens under which Canadian industry is struggling.

"The decline in the prices of base metals and silver continued throughout the year. Of course, this is reflected in the value of the output and also in the operating profit. Increased production and lower costs helped materially the year's results.

"The present outlook is not promising for much appreciation in metal prices.

"The developments in your mines continue satisfactory, except in Rossland, which is practically finished.

"If the experiments being conducted during the coming season with the application of triple phosphate to the Prairies, be as successful as expected, a good market will be gradually developed there for your phosphate deposit near Crow's Nest, British Columbia."

Mr. Blaylock's review of the year deals principally with the Tadanac plant. He says.

"The gross tonnage of metal produced was very much larger. Compared with 1926, the gold production was only about 60 per cent. and the copper about 90 per cent., but these two metals only comprise about 9 per cent. of the Consolidated's output; the silver production remained the same; the total lead production was increased 11 per cent.; the total zinc production was increased 10 per cent. Practically all of the lead and zinc produced was refined at Tadanac—less than one per cent. being exported as lead bullion and zinc concentrates.

Handling 4,000 Tons

"Of the construction under way or authorized at the beginning of the year, the enlargement of the Sullivan Mill to 4,000 tons, the Cottrell plant and stack for the lead smelter, the 80-ton addition to the zinc plant, the smelter change house, the zinc residue drying plant, the electric furnace plant, and the 1,000,000 gallon reservoir at Tadanac, were all completed and put into operation during the year. The coarse crushing plants at Moyile and Tadanac were nearly completed and will be ready by the time they are needed.

"The ore supply was satisfactory and of about the same grade as during 1926, although the zinc content was somewhat lower.

"The cost of concentration again shows a slight reduction; while the metal recoveries are again very much better than any previous work, recovering 6½ lbs. more metal from a ton of ore of the same grade in 1927 than in 1926.

"The grade of both the lead and zinc concentrates was also improved resulting in a considerable saving in freight charges and at the same time enabling the reduction plants to make lower costs and higher recoveries.

Higher Efficiency

"Perhaps the most noteworthy improvement in the metallurgical department is in the increased efficiency of the lead smelting plant. This plant had reached a very high state of efficiency in 1925 and added to this in 1926.

(Continued on page 25)

Smelters Earns Less But Position Improved 1927 Report Reveals

C.P.R. Buying More Shares of Smelters

From Our Own Correspondent

MONTREAL. — While C.P.R. has long held what amounts to virtual control of Consolidated Smelters, yet it is gradually increasing its holdings to the point where it will hold over 50 per cent. of the outstanding shares. At the end of 1926, the C.P.R. held 243,541 shares of Smelters; at the close of last year, this had been increased to 249,166 shares. Smelters has outstanding 508,863 shares of stock. The C.P.R.'s holdings of the stock are carried on the books at $6,229,150, while the current market value of the shares amounts to over $67,000,000.

SHERRITT-GORDON READY TO EXPLORE FAR-NORTH FIELDS

Ready to Spend $200,000 Prospecting Near Chesterfield Inlet

Sherritt-Gordon has made application to the Department of the Interior at Ottawa for the exclusive right to investigate the mineral possibilities of a large block of territory bordering on Chesterfield Inlet.

The company pledges itself to spend $200,000 in prospecting the area. Aeroplanes will be used in the work, and if the application is granted, the company has agreed to carry out aerial mapping operations, and to present the government with all photographs taken.

Hon. Charles Stewart has stated that he was considering the application favorably, but would not set aside as much territory as the company desired. He will also insist that prospecting be done from south to north and the area freed gradually for general prospecting.

Chesterfield Inlet is situated toward the north-west extremity of Hudson's Bay. That a serious attempt should be made to prospect this remote area indicates the wide ramifications Canadian mining industry is entering into.

Miller Independence is Offering New Stock

Miller Independence Mines, is making re-financing plans to permit the extensive development of its Boston Creek property. Shareholders have been offered rights to subscribe for additional stock at the rate of 30 cents a share on the basis of one new share, for each five now held.

The underwriting of 850,000 shares has also been arranged. Miller Independence is capitalized at 3,500,000 shares, of these 1.547,077 have been issued, and 1,952,923 are still in the treasury. The company owns its property outright as well as considerable mining and milling machinery.

J. A. Begard of Dayton, Ohio, is president and Francis A. Robinson, also of Dayton, is secretary. Other directors are W. M. Byers, George D. McSherry, John A. Reid, John Flinspach, and Fred E. Jones.

Working Capital Now $17,600,000 — Earns $23 a Share in 1927

DECLINE IN PRICES

Base Metals and Silver Continued to Drop During Year and Outlook is Unpromising for Rise

MONTREAL BUREAU
The Financial Post

MONTREAL.—While the income account in the annual report of the Consolidated Mining and Smelting Company of Canada, covering the 1927 year, shows a slight decline in profits, reference to the balance sheet shows that the operations carried out during the year placed the company in an unprecedentedly strong position, with a largely increased working capital and also large increases in plant and properties account. Thus, from an investment standpoint, the improved balance sheet position decidedly more than offsets the fractional decline in earnings and indicates that due to the company's accounting methods, the income account presents only a very conservative picture of the year's operations.

The results achieved during the year can be judged from the following comparison of income account figures and working capital figures over the past three years:

	$	$	$
Sales	31,438,566	32,650,727	28,562,046
Inventories	4,309,160	4,836,183	5,009,939
*Interest	743,119	361,469	......
Rents, etc.	33,322	117,703	94,196
Total earn.	36,524,169	37,963,083	[illegible]
On pr. year	4,836,188	5,009,939	4,700,483
Cust. ore	3,421,206	4,349,561	2,306,162
Balance	28,266,780	28,606,562	[illegible]
Freight	762,454	767,986	681,380
Gen. exp.	11,572,064	11,124,961	9,535,248
Develop.	546,877	595,608	553,309
Deprec.	1,565,835	1,354,233	1,122,757
Depletion	535,249	523,881	521,482
Bond int.	......	......	517,531
Other int.	68,533	23,557	142,484
Directors	6,360	6,130	4,725
Written off	6,454	4,321	2,633
Taxes	1,388,989	1,887,664	2,474,769
Net profit	11,813,965	12,321,069	11,315,316
Dividends	6,358,875	5,078,492	[illegible]
Balance	5,455,000	7,242,577	7,977,282
Fire ins. res.	62,993	193,669	234,679
Pension fund	......	100,000	200,000
Cont. res.	1,000,000	1,000,000	1,000,000
Add to prop.	3,590,506	2,274,771	3,560,798
Surplus	801,591	3,674,135	2,981,789
Prev. surp.	12,398,100	8,723,974	5,742,185
P. & L. bal.	13,199,700	12,398,109	8,723,974
P.C. on stock	92.8	96.9	88.4
Per share	$23.02	$24,24	$22.12

*—Revenue from investments and sundry advances.

Working Capital

	1927	1926	1925
Curr. assets—	$24,504,792	$22,784,360	$14,476,130
Curr. liabs.—	$6,887,412	$7,890,320	$6,451,425
Work. capital—	$17,617,380	$14,894,040	$8,024,705

The improvement noted in the foregoing working capital figures, is due to an increase in accounts receivable, plus an increase of some $1,500,000 in bonds and cash account. At the close of 1926 the company carried its properties and its plant at some $21,000,000. This year, the figure amounts to $23,800,000. The large increase in fixed assets during the year is significant when considered with the large allowance for depreciation and the substantial increase in the company's working capital.

In the liabilities, the strength add-

(Continued on page 25)

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KIRKLAND LAKE REPORT DENIES BEARISH RUMORS

Companies Declare High Values Exist Below 2,000 Feet Level

Eminently satisfactory results have been obtained by Kirkland Lake Gold Mines in development work, and the company's liquid assets exceed $350,000, according to an official statement issued by the company this week. The statement was prompted by the determined effort to depress the stock by the circulation of bearish reports concerning the company's operations.

The report was issued prior to the annual meeting, in order to protect small shareholders, who in view of recent depressing rumors might have been induced to sell their holdings.

The statement follows:

"When J. B. Tyrrell, the managing director, and the Anglo-French Company took over the operations at the Kirkland Lake Gold Mine, work was being done on the 1,100-foot level.

"With the exception of a little work at the 1,300 and 1,600 foot levels, no development was done on the 'main break' until the 1,850-foot level was reached.

"Ore was found on the 1,850, 1,975, 2,100, 2,225, 2,350, 2,475, 2,600 and 2,725 foot levels and stoping was done on the first six of these levels but not one of these levels has yet been explored the full distance east and west. Sufficient ore has, however, actually been broken in the course of exploration or development to enable the mill to run successfully since October, 1926.

High Grade Ore

"On the 2,600-foot level, whilst the vein (known as the 'main break') is probably 1,450 feet long, only 450 feet of work has been done, two-thirds of the drifting being in rich ore. No stoping has been done, so that all the ore from this level that has gone to the mill has been secured from drifting operations. Three hundred feet of the 450 referred to has an average width of from 10 to 20 feet. Stoping is about to begin on this level.

"At the 2,725-foot level the work done to date shows 30 feet of very high-grade ore 15 feet wide, and the development is continuing.

"It is important, however, to emphasize again that on none of the levels referred to, from 1,850 feet down, has development been carried to the boundaries of the company's property either east or west of the shaft, and inasmuch as the work done has been with a view to reaching deeper levels, no estimate of the ore body investigated to date has been made or can accurately be made.

Richer Ore Below

"It must also be understood that because of the limited capital originally provided under the arrangement for development, and having in view Mr. Tyrrell's profound belief in the wisdom of reaching depth before carrying on extensive explorations on the various levels, the results so far have been eminently satisfactory and that the mine has never heretofore been in the favorable condition it is in today.

"Mr. Tyrrell's belief that richer ore would be found at depth has been substantially proven in the 2,475, 2,600 and 2,725 foot levels. Sinking to 2,850 feet is now on the way and will be reached at an early date.

"It is also an important fact that the work done subsequent to October, 1926, has been paid for out of gold production, in addition to which, at the present time, the company has liquid assets, including cash on hand, Government bonds, bullion and inventories, of upwards of $250,000."

DREAMS OF EARLY STAKERS NEAR REALITY AS NOBLE FIVE REVIVE

(Continued from page 24)

wind up. An ultimate capital of $3,000,000 is contemplated, in 6,000,000 shares of 50 cents par value, of which 3,000,000 will remain in the treasury against programs of the future, after all financing in connection with acquisition of the properties and for present contemplated development is satisfied. All stock for present financing has been underwritten by Miller, Court & Co., Vancouver.

The directorate consists of Paul Lincoln, Sandon, B.C., president and manager; W. S. Christie, San Diego, Calif., secretary-treasurer; James Court, Vancouver, B.C.; W. O. Miller, Nelson, B.C.; E. P. Davis, Calgary, Alta.; T. Wallace, Edmonton, Alta.; and Alex. Smith, Toronto. The last was in former days one of the owners of Surprise, and in the Slocan was known as "Surprise" Smith. An office will be opened in Nelson.

Did Little at First

When Noble Five came to Mr. Dunsmuir about 1902 or 1903 in satisfaction of a mortgage, it was an ordinary small mine of great promise, but he was a busy man, with great committments, and for a decade he paid it but little attention, making provision only for a certain amount of work each summer, which of course was in the upper workings, to which development was then confined. This work was chiefly on Noble Five vein, but included some on Deadman, the outer one.

But in 1914, the ex-coal magnate woke up to what he had, put in charge a mining engineer, who happened to be Mr. Lincoln, and, convinced by the data before him that he had a great property that would repay large-scale development, undertook a program of several years to give it a framework on which to build large production.

This framework consisted first of a new crosscut tunnel at a depth of 1,000 feet vertically below the previous lowest workings, a working tunnel that crosscut successively Deadman and Noble Five veins, which dipped outward, but that stopped short of Last Chance-Surprise vein, which was left for future work. A vertical raise was then carried up for the 1,000 feet again, to the previous working level of Noble Five vein, and in this raise a five-compartment shaft was made, with stations marked for different future levels that would crosscut the three veins. A mill was also erected. During this six years of basic development critics were not wanting at the lack of appearance of ore, for the multi-millionaire owner, against his manager's protest, had pronounced the fiat that there should be no shipping until the program of development was completed and it could be done in a big way. "This is my mine; let them talk," was the magnate's attitude. At the critical juncture his death occurred.

Accident Closed Up Works

Realization of the Dunsmuir dream then passed to the custody of Mr. Lincoln, but the property remained idle for some years, for Mrs. Dunsmuir was not versed in mining and was unwilling to incur what looked to her like further profitless investment. Finally, late in 1926, Mr. Lincoln was able to get her consent to a bond, and secured control. He reopened the mine, and immediately began shipping milling ore from the upper workings to Trail. Some 1,500 tons had been shipped when the fatal cage accident occurred that resulted in the virtual shutdown of the mine. Work since then has been of a minor character.

The new grouping brings together 11 claims, on Reco Mountain, one of the hills above Sandon—eight of Noble Five and three of Surprise, the latter adjoining on the right the higher part of Noble Five. On the same upper line but on the left is Last Chance, from whose ground, through ground of Noble Five, Surprise was worked, being stoped out from the third level to the surface. Lower development by Surprise, which last shipped about 1919 or 1920, was out of the question, as a new tunnel through the two adjoining properties to get new depth would have been prohibitive in cost, while sinking on the ore would involve perpetual pumping.

Mr. Lincoln's program includes both proceeding broadly with development and bringing to early production of Noble Five, and carrying on development to come under Surprise.

$30,000 Tons of Ore Proved

From the old level at the top of the 1,000-foot shaft, some 30,000 tons of milling ore is already developed on Noble Five vein. Continuation of this ore shoot will be followed downward, by short crosscuts from the shaft at different levels.

On this old level referred to, at the top of the shaft, Noble Five vein has already been drifted on for 800 feet. Mr. Lincoln will continue this drift east until he comes opposite the Surprise ore shoot. He will cross 500 feet to catch the downward continuation of that Surprise ore at 750 feet under where Surprise people last worked it.

A crosscut to Last Chance-Surprise vein in Noble Five ground in the early Dunsmuir days from the same level referred opened up an ore shoot, of which 3,000 to 4,000 tons of high grade ore is now in sight. This, under the Dunsmuir rule, was never stoped from. Mr. Lincoln will further develop this.

Development work will also be carried out on Deadman, the first of the Noble Five veins, in the upper workings, from which ore was taken in the pre-Dunsmuir days.

High grade ore recently found by sinking on Noble Five vein from the drift from the great low crosscut tunnel will be further developed.

In these operations a compressor plant at the mill and 10 to 12 miles of air-pipe, part of the Dunsmuir installation, will supply compressed air.

Overhaul Old Mill

Later in the summer the mill at Cody, built in 1921, and about to go into operation when Mr. Dunsmuir died, will be overhauled, and brought up-to-date by the addition of selective flotation, and the mine will go into production, on ore that was blocked out before the mill was built, all ore coming out of the mine by the shaft and main crosscut tunnel.

This programme of work will be started as soon as weather conditions permit.

The development at various deep levels, of Deadman and Surprise veins, the former through continuation of the short crosscuts through Noble Five vein, and the latter through crosscuts from the shaft direct, according to the original Lincoln-Dunsmuir plan, may be regarded as work for the future.

One of Slocan's Deep Ones

When it is remembered that the upper workings of the Noble Five themselves embrace a vertical 1,000 feet, that above highest of them it is still 1,000 feet to the Noble Five outcrop on the peak of the ridge, and that below the lowest of them it is 1,000 feet down to the working tunnel, which crosscuts Noble Five vein in high grade ore, it is to be seen that, with 3,000 feet depth on the Noble Five or middle vein, the mine has claim to be one of the deep mines of the Slocan.

If the Dunsmuir-Lincoln vision is realized, it will go at least some distance toward realizing the romantic, possibly prophetic, vision of Bill Hennessy, Jack Hennessy, Jack McGuigan, Frank Flint, and Jack Seaton, the quintet of Ainsworth treasure-hunters whose name is here perpetuated, who in the fall of 1891 rushed by forced marches from Kootenay Lake over the mountains to a reported Eldorado in a country yet unnamed to stake recently disposed lead outcrops that the Ainsworth assayer, from Eli Carpenter's and Jack Seaton's samples, had pronounced rich in silver—an exploit that made them the first locators in the Slocan, and that drove the stakes beneath which Dunsmuir and Lincoln have delved.

HIGH GOLD VALUES ON MOFFATT-HALL

Diamond Drill Results on East Kirkland Lake Group Are Excellent

Announcement of assay values obtained by Moffatt-Hall in recent diamond drilling has again attracted attention to the eastern section of the Kirkland Lake Camp. In the No. 2 hole at a depth of 70 feet, the drill cores assayed $151.10 over a width of 7½ feet. In the No. 3 hole sunk immediately beneath the No. 2, values of $48.60 were obtained over a width of three feet. The full width of the vein is not known as yet, nor are the results from the balance of the core available. Drilling has been carried out to a depth of about 500 feet. The first drill hole was put down some distance to the west of the last two holes, and it gave gold values for 130 feet. The No. 4 hole is now being driven to ascertain the length of the ore body.

There is a sulphide dyke on the surface of the Moffatt-Hall property running northeast and southwest, and it is felt that developments to date at this property should add considerably to the value of the Bidgood property, as well as the Gordon-Lebel. Gordon-Lebel Mines, Ltd., owns five mining claims east and adjoining the Bidgood. The Moffatt-Hall lies to the south of the property. V. A. James, M.E., has made an examination of the Gordon-Lebel property, and development operations will be under the supervision of Percy Hopkins. At the present time the financing for this company is being arranged and once this is completed a diamond-drilling campaign will be commenced.

APEX EXCHANGE OF SHARES

Apex Porcupine Mines, Ltd., shares are to be exchanged on the basis of one new share for two old. Transfer books close March 31, after that date only stock of the new company will be procurable.

Details of Ore Howey Opened Will be Given

Howey Gold Mines annual report will be made public on Monday, according to Pres. John E. Hammell. Details of the development on the four level will be outlined in the report of Mgr. Horace Young. Progress in opening up the various levels, at 125, 250, 375 and 500 ft. has not been as rapid as had been expected but it is believed that the facts when presented will show some good lengths of commercial ore, though the grade probably will not be up to expectations. It is believed that a generally encouraging outlook will be pictured.

LARGE OPERATION ON PIPESTONE BAY

Forty Claims Close to Scott Are to be Operated—Have Rich Showings

One of the largest companies organized to operate in the Red Lake country has taken up forty claims in the Pipestone Bay section, adjoining the famous Scott and Stevens ground. Sensational values have been secured in this section and there are five different showings on the claims involved in the deal. The Dean, Dunster and Stevens groups are the most important claims. They have been taken over by the company and are all paid for. The company is capitalized at $4,000,000, shares $1 par and there will be $2,000,000 in the treasury. On the Stevens Red Lake it is understood that a vein has been opened for 1,400 feet and it passes on to the groups of the Pipestone company. The proposal is to offer 300,000 shares of treasury stock and this with funds on hand will allow for a complete exploration of the property. Some of the ore which has been sent to Toronto is heavy in free gold and sulphides. The president of the new organization is F. Scriven, managing director of Amity Copper. W. J. B. Jenner is secretary-treasurer and solicitor, directors, Von Glazier, Dr. W. Davy, Morrisburg.

It is reported that McIntyre people have taken over the Scott group, which was financed by leading Toronto business men.

Moffat-Hall Shares and Bunker Ex. Listed

At the meeting of the committee of the Standard Stock and Mining Exchange approval was given to the application for listing of several issues, and these may be traded in after the customary seven days have elapsed. The companies whose shares were up for discussion were, Bunker Hill Extension Mines, having an authorized capitalization of 5,000,000 shares of no par value; Moffatt-Hall Gold Mines, with a capitalization of $5,000,000 in shares of $1 par. An additional 3,000,000 shares of Kootenay-Florence, having a par value of 20 cents, was passed upon.

Big Veins Are Traced on Mackenzie Island

Important showings have been uncovered on the Crowley property, Mackenzie Island, according to reports received from Sioux Lookout. It is stated that 14 veins have been opened up ranging in width from 18 inches to 30 feet. One vein is said to have yielded $73 in gold, another has been traced for over a mile, while a third has been found to carry cobalt bloom.

The property consists of a block of 42 claims and is owned by a syndicate. It is proposed to carry out extensive surface work on this property as soon as the snow is off the ground.

Elstone-Dunkin Group Will Join Operators

The well known Elstone-Dunkin group in East Kirkland Lake is to be developed after many years of waiting. This property has long been favorably regarded but was never seriously tackled. Elstone-Kirkland is the name of the $4,000,000 company that has been organized in Toronto to take up the operation. George A. Urquhart, barrister, is president.

Reports have been made on the property, which adjoins the Murphy and the Etobique, by a number of engineers. The Ritchie, on which some good results have been recently secured, is a short distance east. W. J. Shields, for many years associated with Gowganda properties will have charge of the work under the direction of Percy Hopkins as geologist and consulting engineer.

Sink Shaft Further on Kirkland Hunton

Shaft-sinking from the 375 foot level to the 500 foot level is now being carried on by Kirkland Hunton Mines. Diamond drilling has indicated three parallel ore zones, two south of the shaft giving values of $4.80 across ten feet, and $4 across a further ten.

The deepening of the shaft will permit driving to intersect these and ascertain their possibilities.

Get Results From Shaft on Argyle Consolidated

A crew of men is now engaged in sinking an exploration shaft to a depth of 200 feet on the Argyle Consolidated adjoining the Conroyal, Lebel Township, Kirkland Lake district. It is reported that favorable results have been obtained from work which has been centred on a break which so far has disclosed a length of 1,000 feet together with an average width of 10 feet. A favorable factor is that the vein occurs in feldspar porphyry, and in some sections of the vein high values have been obtained.

Present plans involve the installation of an electric plant, and it has also been proposed to carry out a diamond drilling campaign.

Bathurst Power Co. Plans Extensive Developments

FREDERICTON, N.B.—The Bathurst Power and Paper Co., which recently took over the mills and properties and rights of the Bathurst Company Limited in a deal said to involve more than $10,000,000, are required to at least double the present paper manufacturing capacity of the mills at Bathurst. The company is also obligated to develop hydro power on the Nipisiguit river up to 40,000 h.p. in order to retain the Bathurst Company's power rights and railway charter, etc."

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Canadian Power Specialty Name Now Foster Wheeler

Announcement is made of a change in name of the Canadian Power Specialty Company Limited, to that of Foster Wheeler Limited. This has been authorized by the Dominion Government and has been brought about as the result of a desire to more specifically describe the activities of this company.

Within the last year the company has succeeded in acquiring the exclusive rights to manufacture and sell in Canada the steam power plant equipment heretofore manufactured only in the United States but sold throughout the world under the name of "Wheeler." This equipment is additional to the Foster and Aero power plant and oil refinery already manufactured and sold in Canada.

The name Foster Wheeler Limited is composed of the two trade names which the most prominent of the products have been marketed in both hemispheres. The company, however, is continuing the manufacture and sale of the pulp and paper mill machinery, H.R.T. and marine boilers and other equipment formerly manufactured in its St. Catharines factory by the Engineering and Machine Works of Canada which it absorbed.

Appoints Directors for McVittie, Graham

In connection with the formation of the McVittie, Graham Mines, Limited, having extensive holdings in the Sudbury Range, the announcement is made of the following officers and directors:

President, Wm. McVittie, Sudbury, president of the Wahnapitae Power Company, Sudbury; vice-president and managing director, Norman R. Fisher, Montreal, president, The Shield Development Co. Limited, president, Moss Mines; directors, Edward C. Pratt, Montreal, late general manager Molson's Bank, director Crown Trust Company; George E. Leighton, Montreal, president Canadian Association of British Manufacturers; Ralph E. Allen, advocate, Montreal, director Quebec Savings and Trust Company; secretary-treasurer, Lt. Col. James Cooper, Montreal.

SMELTERS EARNS LESS BUT POSITION IMPROVED, 1927 REPORT REVEALS

(Continued from page 24)

ed to the company during the year is revealed in the increase in reserves from $8,663,514 a year ago to $13,278,238 this year. How the surplus account has also increased during the year can be seen in the $800,000 addition made to this account in the foregoing income account figures.

The report is the more impressive as 1927 witnessed a substantial decline in price received per ton of output.

The report itself is an unusually comprehensive document which in addition to containing the figures, includes the director's report, general manager's report, manager of mines' report, comptroller's report and sales manager's report. Thus each department of the company's activities is amply covered.

In the report of the directors, President James J. Warren states in part as follows:

"Both the Federal and Provincial Governments have reduced tax rates—a step in the right direction—as a government levy of over 15 per cent. of the net profits of a mining company is hardly an incentive to capital to engage in such a hazardous enterprise as mining. At the same time the difficulties and obligations of post-war governments must be admitted and acknowledgement made that both governments are doing their best to lighten as much as possible the burdens under which Canadian industry is struggling.

"The decline in the prices of base metals and silver continued throughout the year. Of course, this is reflected in the value of the output and also in the operating profit. Increased production and lower costs helped materially the year's results.

"The present outlook is not promising for much appreciation in metal prices.

"The developments in your mines continue satisfactory. In Rossland developments are practically finished.

"If the experiments being conducted during the coming season with the application of triple phosphate to the Prairies be as successful as expected a good market will be gradually developed there for your phosphate deposit near Crow's Nest, British Columbia.

"Capital expenditure amounted to $4,877,019, of which $1,681,793 was spent on property account and $3,195,225 on plant account."

SMELTERS' COSTS TEND TO DECLINE; OUTPUT IS HIGHER

(Continued from page 24)

Early in 1927 the new Cottrell plant for roaster fumes was put into commission. This plant is one of the most modern installations in existence. The estimates of savings by this plant have been very much exceeded; in fact, this treater has reduced the lead losses of 1926, which were considered as very low, to less than one-half that amount in 1927.

"The lead bullion production was 10 per cent. greater than in 1927.

"The cost of smelting a pound of lead was substantially reduced during the year, but the cost of smelting a ton of ore was slightly higher than that in 1926.

"A reverberatory furnace has been installed and has been in operation for the last third of the year. This furnace will undoubtedly be an improvement on the blast furnace for the ore available. However, it is too soon to say to what extent the costs and recoveries will be affected.

Zinc Plant Costs

"Both plants are working on an insufficient ore supply, consequently costs are high."

The zinc plant: "This plant again shows improvement both in recoveries and costs over all previous records. During the first five months of the year this plant continued to improve on the excellent work done in 1926. When the additions to the plant were started in June there was some falling off in extraction from the point reached in May. While the extraction at the end of the year was still below May's work there it is hoped that May's record will soon be reached.

The new additions were ready in June and were put into operation as fast as power was available. It was considered that the plant could not be run to any extent until the No. 3 power plant at Bonnington was ready. Water conditions have been such that at least three-quarters of this additional plant have been in continuous operation ever since its completion. Indications are that the Kootenay River will remain high enough through the remainder of the season to operate both No. 1 and No. 2 plants at Bonnington to full capacity until next fall at least and probably until No. 3 plant is ready early in 1929."

Of the various mining properties being tested out, Mr. Archibald says:

Sullivan Mine

"Production was maintained on a 3,000 tons a day basis until the end of May, when the tonnage was gradually increased until the output reached 4,000 tons a day for October, which daily average was held until the end of the year.

Shipments of crude lead ore to Tadanac amounted to $22,137 tons of which 12,414 tons came direct from stopes and 9,723 from the picking belt.

"The concentrator treated 1,248,530 tons of lead-zinc ore and produced 183,609 tons of lead concentrates and 163,074 tons of zinc concentrates, all of which were shipped to Tadanac.

"Mining costs were further reduced partly through improvements in stoping conditions and partly through the increase in tonnages handled. Approximately 75 per cent. of the ore broken is delivered direct to mine cars, 20 per cent. is handled by drag line scrapers, and mucking machines and about 5 per cent. is hand mucked, the latter being principally in connection with salvage operations in the old workings.

Controlled Properties

"At the Coast Copper development comprised the continuation of the winze to the 1,200 foot level, with crosscutting to and drifting on the vein on the 1,200 and 1,000 foot levels and a small amount of diamond drilling. The work on the 1,000 foot level checked closely conditions found in the unproductive section of the vein on the 800 foot or adit level; the drift on the 1,200 in the same section of the vein has shown mineralization of commercial importance and improved the outlook for deeper exploration; neither drift has reached the south section of the vein in which the principal ore shoots on the 800 level have been developed.

"Transportation facilities were further improved in the construction, with Government assistance, of a road between Alice and Kathleen Lakes.

No new ore was developed at the Sunloch.

"A continuation of the diamond drilling on the Gracie and Arnold Group, Erie, while indicating wide zones of mineralization, failed to locate commercial ore. Other claims in the vicinity with fair surface showing were optioned and drilled, but results were also disappointing.

"Drilling of the Copland property, Rock Creek, was continued and while some gold-copper ore of a commercial grade was indicated, the formation in which it occurred seemed to be badly disturbed and continuity of the ore body was lacking.

"The Estella Group on Tracy Creek, East Kootenay, was optioned and some diamond drilling done in an endeavor to locate the ore shoots at depth; results were disappointing. A limited amount of underground work accomplished, however, gave more satisfactory results and the outlook is more hopeful. Values are in zinc, lead and silver.

"An option was taken on the Golden King Group, Upper Squamish, and underground development undertaken on a vein which on the surface carried high gold values. Drifting under that section, however, gave disappointing results.

"Options were also taken on the Refuse and McKinnon Groups in the same district. These carried fair surface showings of gold-copper ores, but diamond drilling under them failed ta indicate values or quantities of commercial importance.

"The Lucky Jim Group, Adams River, Vancouver Island, was also diamond drilled with disappointing results. The surface showing carried appreciable values in gold and copper.

"An option was taken on the Independence Group, Coquihalla, but surface exploration for extensions of the ore zones and a more detailed examination of the underground workings were disappointing in the grade of ore exposed.

George Copper Option

"The control of stock in the George Gold Copper property, in the Bear River section of the Portland Canal country, was optioned and diamond drilling undertaken. Work was interrupted by an early snowfall before the diamond drill holes under way had reached their objectives. Operating conditions on these claims are extremely difficult and substantial tonnages will have to be indicated to justify the necessary outlay. Diamond drilling will be resumed as soon as snow conditions permit.

"An arrangement was made with the Big Missouri Mining Company to continue the development of the Big Missouri Group in the Salmon River District of the Portland Canal and to take over their option to purchase. The Buena Vista Mining Company was organized as a holding company, the Consolidated Mining and Smelting Company owning 53 per cent. of the stock and the Big Missouri Company, 47 per cent. The property carries a variety of ore, values being in gold, silver, copper, lead and zinc. Development work was started in late September and no definite results are expected for several months. Transportation facilities between the Premier road and the mine were improved by widening the trail, the Government paying one-half the cost.

"Options were taken on the Baldwin Groups of claims in the Whitewater District, some 65 miles from Hanceville in the Clinton Mining Division. They carry some prominent surface showings with values in gold, silver and copper. A fairly large expenditure will be necessary for their preliminary exploration as large tonnages must be indicated to justify operating equipment and transportation.

Emerald Group

"An option was also taken on the Emerald Group and adjoining claims on Sibola Mountain near Emerald Lake, approximately 75 miles south and west of Houston on the Grand Trunk Pacific. These carry prominent surface showings of silver-lead ores and preparations are being made for their exploration the coming season.

"Surface exploration was undertaken on the Sands' property not far from the Engineer Mine, Taku Arm, Atlin District; values were in gold, but were not found in commercial quantities over mineable widths.

"A hydraulic operation was also carried on on some placer leases on Boulder Creek in the Atlin District. No definite results are expected before the fall of 1928, when the pay ground should be reached.

"Some exploratory work was also done on an old channel on Antler Creek, Cariboo, on account of the Carry option, and while some fairly coarse gold was encountered, no quantity of commercial gravel was indicated.

"In the Yukon territory further development on the Erickson property, McKay Hill, Beaver District, produced encouraging results. A diamond drill will be taken in this season and some deeper exploration undertaken. The ores are lead-zinc with comparatively low silver values.

"The Hill-Tivey property, East Clearwater Lake, Ontario, was optioned and preparations made for its development. Values are in gold in a very persistent, though narrow vein. A shaft will be sunk and exploratory work undertaken from the 150 and 300 foot levels.

Quebec Work Suspended

"In the province of Quebec work was continued on the MacDonald Group, Flavrian Lake, Duprat Township, and on the company's locations in Montbray and Hebecourt. No ore of commercial importance was indicated and operations were suspended.

"An option was also taken on the O'Donovan zinc-lead property near Burbidge on the Maniwaki Branch of the C. P. R. surface trenching and diamond drilling failed to indicate a commercial body of ore."

A strong market for metals prevailed despite the weakened prices says W. S. Rugh, manager of sales. He sees a tendency this year to follow the 1927 price range. He says.

"Economic conditions were generally satisfactory and the demand for metals continued strong throughout the year, which enabled us to close with unfilled orders largely in excess of stocks. Europe used larger quantities and our sales in the Orient were quite up to expectations. Another encouraging feature was the regular and healthy increase in Canadian consumption.

"It is difficult to predict the course of the markets for the coming year. Over the first two months of 1928, both lead and zinc have shown a tendency to follow the 1927 trend, but on the other hand, as European trade conditions continue to improve and as there are no signs of a retrograde movement on this side of the water, the outlook is at least favorable for some improvement.

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Correspondents Spokane, Winnipeg, Toronto.
Established 12 years
Head Office: Victoria, B.C. Branch Office: Bank of Nova Scotia
References: Imperial Bank of Canada Building, Vancouver, B. C.

APEX PORCUPINE MINES
LIMITED

SHAREHOLDERS are hereby notified that the transfer books of this Company will be closed PERMANENTLY on the 31st day of March, 1928, and that after that date no further transfers will be made, but shareholders will be entitled to receive one (1) share of Apex Mines Limited for each two (2) shares of Apex Porcupine Mines, Limited. Certificates of Apex Porcupine Mines, Limited, stock must forthwith thereafter be surrendered to the Trusts and Guarantee Company, Limited, Toronto, Ont., Registrars and Transfer Agents of the Company, duly endorsed for transfer, and certificates for stock of Apex Mines Limited will be issued in exchange therefor on the above basis by the said Trust Company.

As Apex Porcupine Mines, Limited, is under obligation to surrender its charter within a limited time, shareholders are required to send in certificates for exchange without delay.

DATED this 24th day of March, 1928.

BY ORDER OF THE BOARD OF DIRECTORS,
JOSEPH MONTGOMERY,
Secretary.

"Great Oaks From Little Acorns Grow"

We have chosen a list of Canadian mining shares which we believe, if procured at current levels, will show a marked appreciation in total value if held for a reasonable length of time.

As a basis for computation we have taken the sum to be invested as $1,000. Thus if the amount be greater or lesser the same list can be procured in exactly the same ratio.

To those having surplus funds for placement with a view to long-pull and long-profits we shall be pleased to submit our suggestion.

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New Issue

500,000 Shares
Elstone-Kirkland Mines
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Incorporated under the laws of the Province of Ontario
Authorized Capital $4,000,000.00, Issued $1,300,000.00
Par Value $1.00

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PROPERTY

The property consists of 320 acres situated in Gauthier Township, Kirkland Lake Gold Area, better known as the Elstone-Dunkin claims. They are fully paid for, with no bonded or other fixed indebtedness.

FORMATION

The formation of Elstone-Kirkland is characteristic of the Kirkland Lake "Main Break." In the estimation of many reputable mining engineers and mine operators familiar with the district, geological conditions are considered very favorable to highly important ore deposition.

POWER AND TRANSPORTATION

Transportation is assured by the Nipissing Central Railway, which passes within a few hundred feet of the Elstone-Kirkland property, and a good automobile road connecting with Kirkland Lake townsite. Power lines of the Northern Ontario Power and Light Company are being extended to the adjoining Murphy Mines and will be available to Elstone-Kirkland about May 1st next.

FINANCIAL STRUCTURE

When financing arrangements have been completed, the Elstone-Kirkland treasury will have received a total of $405,000.00, thus providing ample working capital for extensive exploration and development. One million shares will still remain in the treasury for future requirements.

CONCLUSION

In view of the great activity, the splendid discoveries and the mine making possibilities in the Eastern Kirkland Lake Gold Area, we have no hesitation in recommending the purchase of Elstone-Kirkland shares as a meritorious and decidedly outstanding speculation.

Application will be made to list the shares of this Company on the Standard Stock and Mining Exchange.

Price: 30c Per Share

Applications for Shares may be made to the Undersigned or to your own Broker

FULL INFORMATION UPON REQUEST

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Noranda Smelter Sets New Production Record Cuts Costs; Jumps Output

Company Holds First Annual Meeting in Canada

Noranda Mines No. 1 unit of the new smelter, designed to treat an average of 500 tons a day, made a new record last Saturday when it treated over 800 tons. The news of the progress being made by the Noranda smelter as set out in General Manager Hibbert's report submitted at the recent annual meeting, should serve definitely to kill the many absurd rumors that have been in circulation for some time past.

Since the smelter was first put into operation, Dec. 17 last, production has been steadily increased and smelter costs reduced.

Smelter Production

In December the smelter produced 276 tons of blister copper. In January it treated 10,244 tons of ore and produced 725 tons of blister copper. In February the smelter treated 13,735 tons of ore and produced 739 tons of blister copper, but a considerable amount of copper remained in the secondary products which were produced and could not be cleaned up, as the gasoline locomotive was out of order for several days. During the present month of March, the smelter has treated 15,112 tons of ore and produced 1,012 tons of blister copper, and the mine has shipped to the smelter up to and including the 25th of the month, 14,883 tons of ore.

Bullion in February averaged $88 in gold and 11 ounces of silver. The blister runs about 99 per cent. copper.

So far as smelter costs are concerned, and taking only the operating costs into account, not considering the large sums that will have to be charged against operations to take care of depletion, depreciation, etc., the costs for February were $4.06 per ton treated, or close to the estimated cost of $4 per ton, while for the month of March, they will likely be in the neighborhood of $3.50 per ton.

Canadians Control

The passing of Noranda control into Canadian hands was marked by the fact that for the first time the annual meeting was held in Canada. This resulted in a large attendance, as 210,200 shares were represented in person, and 1,246,000 by proxies, out of a total of 1,746,000 issued.

The meeting was an entirely harmonious one. Only one change was made in the directorate, F. M. Connell, of Toronto, was elected to the board, succeeding W. H. Beatty. The directorate now consists of J. Y. Murdoch, Hon. F. H. Phippen, K.C., A. L. Ellsworth, F. M. Connell; W. S. Walton, Toronto; N. A. Timmins, Montreal; S. C. Thomson and I. W. Bonbright, of New York, and H. G. Haskell, Wilmington, Del.

President J. Y. Murdoch presided at the meeting and read an official statement of results obtained to date in operations carried out below the 300-foot level. No estimate of ore below that level is available at the present time, he stated, and work has not yet reached the stage where a comparison can be made with results obtained on the upper levels.

General Manager E. Hibbert's report, read by President Murdoch, reviewed the developments as given in the annual report and told of more recent operations. "The 'B' ore body has been opened up on the first, second and third levels," he said, "and a diamond drill hole located this ore body close to the 400 foot level where a seven-foot scetion of core from this hole ran $3.70 in gold and 3.76 per cent. copper. The deepest diamond drill hole on the property put in from the surface met ore at a vertical depth of 710 feet and this ore is assumed from our present knowledge to be the downward extension of the 'B' ore body. From 710 feet to 740 feet, 30 feet of core averaged 3.18 per cent. copper and $1.15 in gold. This body is estimated to have a horizontal width of 12 feet.

The "C" Ore Body

"So far as the 'C' ore body is concerned this is smaller on the 200-foot level than on the 100-foot level, and on the 300-foot level although a large mass of sulphides was passed through only a small part at the northern end can be mined for ore."

The "E" ore body had been fully described previously, but on the 300-foot level a small high-grade lens of ore was met with which was called the "K" body, and three short diamond drill-holes from the same set-up were put in to trace a downward extension of this body, but it could only be traced downwards for 35 feet. Further search for this ore will be made by drifting on the 400-foot level.

Drifts had been driven through the "H" ore body on the 400 and 500-foot levels. On the 400-foot level ,with the exception of a strip of waste 15 feet wide, the drift was in solid sulphides for 310 feet. The average assay for the first 220 feet, including the 15 feet of barren rock, was $4.40 in gold and 1.02 per cent. copper. The last 90 feet of sulphides was very low-grade and of no commercial value. On the 500-foot level a small lens was encountered about 35 feet long, the average assay of which was $3.40 in gold and 2.4 per cent. copper; than about 15 feet of barren rock, followed by 65 feet of massive sulphides, averaging $2.78 in gold and 1.17 per cent. copper. After this 70 feet of barren rock was passed through, and the drift again met with sulphides and continued in them for another 100 feet. The average assay of this last 100 feet was $2.13 in gold and 0.4 per cent. copper. So far the drifts on these two levels have not extended far enough to meet with the downward extensions of the other ore bodies.

Ore at Depth.

"Briefly, the situation at the present time is that we know commercial ore is indicated between the 700-foot and 800-foot levels on the 'B' ore body," said Mr. Hibbert. "On the 600-foot level on the 'E' ore body, or if not the 'E' ore body a lens adjacent to the 'E' ore body; and that we have not yet had time to explore these lower levels or to reach the points where we know from diamond drilling that commercial ore exists."

A considerable amount of exploration work has still to be done above the 300-foot level, such as the development of the ore found on the surface during the summer while putting in a trench for sewer and water lines, the ore discovered close to the primary crushing plant, and on the 300-foot level all the ground to the west and north of the main shaft.

A New Discovery

"On the 300-foot level a new body of fluxing ore was found last month lying to the east of the 'E' ore body, and present indications are that this body is about 200 feet long and 35 feet wide. One drill hole cut 41½ feet of ore averaging $4.74 in gold and 2.1 per cent. copper, and another hole 100 feet to the south of this cut 60 feet of ore averaging $5.88 in gold and 0.8 per cent. copper. This is regarded as somewhat important, as the present supply of fluxing ore is small in comparison with the tonnage of heavy sulphide ores, and so far one ton of siliceous fluxing ore has been used to flux four tons of run of mine ore."

During the months of January and February, whilst some 516 tons of ore were hoisted per working day, about 400 tons of waste rock were also hoisted per working day. During March, up to and including the 20th, the shipments of ore from the mine to the smelter averaged 770 tons per working day, and about 400 tons of waste were also hoisted each day.

Last month the operating costs per ton mined were $4.68, of which more than half was for development work, and this month it is expected the costs will be under $4 per ton, of which more than half will be for development work.

In reply to questions, Mr. Murdoch stated that the second furnace would be completed in a couple of months and the company would then be able to treat custom ore the Waite-Ackerman-Montgomery was preparing to ship. Drifting was in progress on the 200-foot level there, and the ore body was being approached. He placed the known ore on this property at a rough valuation of $10,000,000.

The average assay value of bullion shipped in February, said Mr. Hibbert, was 99 per cent. copper, 4.4 ounces of gold and 11 ounces of silver to the ton.

A vote of congratulation to the officers and management for the manner in which the smelter had been opened up and development carried on was passed.

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"No electrical prospecting method will determine the character or the values of a mineralized area"

St. Anthony Gold Reports on Dip Survey

The St. Anthony Gold Mines property in Montbray Township, Que., shows geological conditions similar to those existing to the east, in the Rouyn district, on what are now proven mines. The property has under a comparatively small amount of exploration work shown important mineralization that compares favorably to that found on important properties in the Rouyn district, and warrants diamond drilling and further surface exploration, states Douglas A. Mutch, M.E.

Mr. Mutch, in a progress report covering operations on the property from March, 1927, to March, 1928, states:

"The early work done in 1927 on this property consisted, first, in the erection of camps, taking in of the necessary supplies and equipment, and preparing the property for extensive exploration. Following this preparation, lines were cut from east to west across the whole of the property at intervals of 300 feet. Following the cutting of lines, a geological survey, in conjunction with a dip-needle survey, was made of the whole property.

The above surveys showed important geological conditions and formation entirely favorable for the deposition of copper-gold ores. The rocks uncovered showed the typical chyolites, keewatin diabase, gabbro and dalmatianite, which rocks are in the Rouyn district found in association with copper deposition.

"The dip-needle survey gave indications of mineralization in various sections of the property, with the most important results being obtained in the northwest section."

Granada Rouyn Instals Its New Mining Plant

Granada Rouyn is proceeding rapidly with the work of installing its new mining plant, and it is anticipated that it will be ready for operation by the end of April. The plant consists of boilers, compressor and hoist.

When this is completed it will permit development work being carried out on a much larger scale than at present.

ANOTHER YEAR OF WORK AHEAD ON ABANA ORES

Will Take This Long to Determine Their Nature

The annual meeting of Abana Mines has come and gone, and the much talked of clash of interest for control of the company, which the meeting was heralded to bring to a head, failed to materialize. After protracted balloting only one change was effected in the board of directors, Percy E. Vale, of Toronto, replacing Dr. J. P. LaPorte, of Joliette. Directors re-elected were Alfred Savard, K.C., Quebec, D. B. Rochester, Ottawa, Jas. McDonagh, Ottawa, and Hector Authier, M.L.A., Amos, Que. The names of Howard Matheson, Montreal, and Dr. La Porte were also placed in nomination.

The meeting was well attended and proved a lengthy one. lasting from three in the afternoon until nearly midnight.

President Savard in reviewing the progress made by the company during the year stated: At the time the present board was entrusted with the management of the company's affairs, things looked dark. The company owed money to the bank, there were no supplies, and several lawsuits were in progress. Co-operation of all interested parties, however, was generously given, and by Aprii 15 the bank loans had been paid off, the lawsuits had been settled, and work had been started on the property. This work has been kept up without a single day's loss up to the present time. The results obtained, Mr. Savard declared, have justified all expenses incurred. The problem of transportation was an important one, and it had been stated that a railway spur would be built if traffic would justify it.

Details Company's Finances

Going into details regarding the finances of the company Mr. Savard stated that J. Brochu, of Montreal, and F. G. Oke, of Toronto, who had options on the stock of the company, had complied with their contract and had taken up their stock as required. The funds thus realized have been invested in $250,000 of bonds. The company is therefore in a good financial position, he said, and will reach production without need of further financing. Details of the disposition of treasury stock, showing that there still remains a balance of 233,000 available for treasury purposes, elicited a question from F. G. Oke, of Toronto, who stated that he was under the impression that there were some 300,000 shares available. The difference between the actual amount and the 300,000 shares was not explained very clearly. Hector Authier, M.L.A., a director of the company, stated that there was supposed to be 250,000 shares and not 300,000. He accounted for some 16,500 shares as having been issued in satisfaction of contracts.

A question of a quorum brought out information as to the relative proxy strength of the various large groups. It was stated that F. G. Oke, of Toronto, had some 800,000 shares, H. Vineberg 425,000, Hector Authier 210,000, J. Brochu 324,000. Presumably the rest, about 1,000,000 shares, were made up of those controlled by the directors and those held by shareholders at large who had not signed any proxies.

Engineer's Report

The report of Charles Spearman, the engineer, which was read by Mr. Savard, was in part as follows:

"From March 1, 1927, until May 15, preparations were made for resuming operations. The two compartment shaft was down 120 feet and sinking operations were resumed about May 15. By September 15 the shaft had been sunk to a depth of 330 feet, with stations at the 100, 200 and 300-foot levels, and 30 feet of this sinking was utilized as a sump. It was decided to carry out the development program at the 300-foot level by drifting parallel to the strike of the ore bodies and cross-cutting those ore bodies at 100-foot intervals along the drift. By this method of exploration, in addition to disclosing the widths, length and nature of the ore bodies thus cross-cut, the structural and other geological features were also investigated.

Ore Bodies Described

"The ore bodies, which for the most part consist of high-grade, massive sphalerite and chalcopyrite, are enclosed in a series of volcanics now highly altered to talcose and hydromicaceous schists. They conform very closely in strike and dip to this volcanic series. A diabase dyke about 40 feet wide flanks these ore bodies on the southwest side, and also conforms in strike and dip to the intruded volcanics above described. The distance between this dyke and the ore bodies varies from 20 to 45 feet as shown by exploration work to date. The ore bodies are fairly regular and consistent in width, length and grade, and so far no faults have been encountered, which fact greatly assists in the development and extraction of ore.

"Diamond drilling and electrical survey have indicated the total length of deposition to be over 2,800 feet, of which about 410 feet has been developed, and shows commercial ore in substantial quantities all the way. It will require about another year's development work to determine the nature and extent of this deposition above the 300-foot level. It will require further exploration work in this vicinity to outline the geology.

"The program is now to thoroughly explore and delineate the latter rocks, which are no doubt genetically related to the ore deposition, and it has been decided to employ the 300-foot level to carry out this work."

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Will Develop Claims in Central Manitoba

The Windsor Mining Syndicate propose spending $15,000 on development work on the recently acquired group of about 800 acres in the English Brook or Hole River district, Central Manitoba area. The property lies between the English Brook Gold Mines and the Clinton and Selkirk Canadian. In addition to the original Windsor claims, the Windsor Mining Syndicate hold the Paula, Kepler, Bluenose, Gust Culbrandson Castle No. 1.

The syndicate is capitalized at $100,000, being in the form of 2,000 units of which 1,200 are in the treasury. Those involved in the "board of managers" include Carl Melvin, W. P. Rodgers, A. Norman Strang, F. J. Anderson, W. E. Hales, Alexander Boyd, H. C. Morrison, W. A. Bremmer, C. G. Keith.

N. A. Metals Has Good Ore on 125 Level

North American Metals Corporation is reported to have encountered a good grade of ore in drifting operations being carried out on the 125 foot level. A width of 8 feet is said to have given values of 16 per cent. lead, and small values in gold and silver, giving a total value of some $20 to the ton.

The shaft is now down to a depth of 185 feet and the work of shaft sinking is proceeding.

Mill tests have demonstrated that no metallurgical difficulties are to be expected, and large scale continuous tests show that no trouble is encountered in getting a high-grade lead concentrate assaying above 65 per cent. with a high recovery of lead values. Small batch tests have shown a recovery of 98.8 per cent. and higher percentage is expected with larger tests.

North American Metals Corporation, Ltd., with an associate company, Precious Metals Corporation, Ltd., has the Dorion lead and zinc mine, and numerous other properties in the Dorion area, which is attracting increasing attention as a potentially important field for base metal ore bodies.

MARRIOTT MINES DRILLS

Marriott Mines is engaged in diamond drilling operations under McDiarmid Lake. It is reported the values have been higher than those in the drilling carried out on the eastern side of the lake. Here a large tonnage of low grade copper ore was encountered at the 400 foot level.

Publish Mining Review

"Keystone Industries" is the name of the readable semi-monthly review of the Canadian Mining Industry issued by William Brochu & Co., investment brokers of Montreal. The company has recently undertaken the publication of a special American edition of Keystone Industries, and through its medium much valuable and interesting information concerning Canada's development, and particularly that of her mining industry is being provided our American neighbors.

The last number contained synopses of Isaac F. Marcasson's leading article on Canada appearing in the Saturday Evening Post; the remarks of the general manager of the Standard Bank, N. L. McLeod, on the Mining Industry, as set out in his address at the bank's annual meeting, and an address on Canada's potentialities delivered by E. Marshall Young, associate editor of the New York Financial World.

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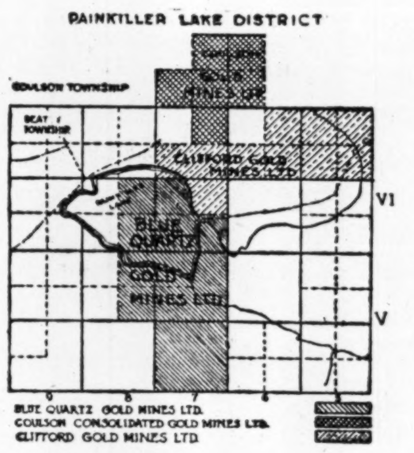

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A LONG period of thorough testing and underground exploration, financed by the directors and their associates, has brought Blue Quartz Gold Mines to the stage where further expenditure is required to bring the indicated ore into sight and provide for a mill.

Last year's operation was notable in that, under the guidance of Percy Hopkins, well-known geologist and the company's consulting engineer, the main vein which had "faulted" after giving great promise, was recovered beyond the fault and now shows high-grade ore over good mining widths. The development of this ore, together with the ore already encountered east of the fault, holds promise of providing a large tonnage of ore of a grade of

$15 or better.

In addition, there is a considerable amount of ore below $8.

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Novamac, Acadia, Evangeline, Bower Companies Push on Development

MANY MINES BUSY

Boston Richardson Property is Being Explored—American Smelting Has One Option

From Our Own Correspondent

MONTREAL.—Substantial progress has been made in the precious metals mining area of Nova Scotia during the past winter. The Novamac Mines and Power Corporation's development work on its Goldenville holdings have been confined to cross cutting and drifting on the 260 foot level where promising leads have been uncovered. The corporation now has reserves of broken ore in the stopes on this property of about 40,000 tons. In the past, this company has suffered through a lack of water for its power plant on the Liscomb River. The company solved its electric power problems last autumn, though, by the construction and completion of a storage dam on the river. The mill on the property is at present equipped with 20 stamps and one wilfley table. The foundation for twenty more stamps is in place. These will be installed when underground development reaches a point to warrant increasing the tonnage.

Concentrates Are Valuable

The arsenical concentrates in the mill tailings are recovered by the wilfely table. These carry high values of gold in addition to their arsenical content. The concentrates made during the last two years have been allowed to accumulate and the stock has now reached several hundred tons. On the average, the corporation has employed 35 men at the property above and below ground during the past season.

On one of the Novamac Mines and Power Corporation's other properties in the Cochrane Hill districts, work has progressed steadily since its inception two years ago. The main shaft is down 220 feet where 50 feet of cross cutting and 100 feet of drifting along the veins has been completed. Excellent values both in gold and arsenic have been revealed by the work. There is a 10 stamp mill at this property. The present power plant consisting of a crude oil engine is not large enough to provide the power required for increased operations underground and also to operate the mill. The company is to erect a transmission line from its development on the Liscombe River to the property.

Work at Beaver Dam

In the Beaver Dam district, Papke and Goudry have carried out exploration work on the Austin shaft. Three hundred feet of cross cutting and drifting on the 85 foot level has been completed. Several diamond drill holes have been punched from underground and diamond drilling has been carried out on the surface during the winter.

In the Brookfield district, an option was taken on the King Fissure property by the Acadia Exploration Company early in the year. The property comprises 122 mining areas. Further underground work is underway.

In the Kemptville district, the Bower Mining Company has continued active developments underground. The company has during 1927 continually added to its mining plant.

Development at Oldham

In the Oldham district, the Acadia Gold Mining Company continues the underground development work which was started so successfully in 1926. A large amount of drifting and cross cutting has been successfully completed. The company will eventually sink a vertical shaft near the location of its mill. In the same territory, the Evangeline Gold Mines commenced work on its group of 114 mining areas. The surface equipment now installed is capable of handling development to a depth of 500 feet.

The Evangeline Gold Mines, in addition to its Oldham holdings acquired 263 mining areas in Guysboro county. Promising surface showings were obtained on this property and barns, engine house, blacksmith houses and bunk houses have been completed. Pumps have unwatered the old shaft on the property and the timbering has been repaired. Underground work has been carried out during the winter months.

Underground Work to Begin

In the Stormont district, the Metals Mining and Smelting Corporation of Canada is to commence underground exploration work on its Boston Richardson property near Goldboro. Most of last season was spent in treating the old tailings dump to recover arsenical concentrates, about 20 men were steadily employed all season.

In the Montague district, this company has dewatered the 400 foot shaft on the Skerry lead. During the winter further shaft sinking operations were carried on. A new shaft house has been completed on the property and a new 10 stamp mill is being installed with 1,500 pound stamp. This will act as a test plant and the first unit of a larger mill. The company has its own electric transmission lines from Dartmouth to Montague. The line has a capacity of 1,000 horsepower.

On the Tangier Mines and Power Company's holdings in the Tangier district some underground development work has been carried out and the property has been kept clear of water. Promising ore belts have been intersected by the cross cutting.

Metals Mining Explores

The Metals Mining and Smelting Corporation has also installed a small plant on its tungsten holdings in the Waverley district where further exploration work will be carried out during the coming season.

In the Ovens district, the American Smelting and Refining Company took an option on the holdings of the Indian Path Gold Prospecting Syndicate where expensive underground exploration work was carried out during the winter months.

The British Metals Corporation of Canada has obtained satisfactory values in its zinc-lead holdings in Richmond county. The company has added materially to its mining plant during the past twelve months and has extended the underground workings at the mine very largely.

MINING STOCK QUOTATIONS

Week Ending Mar. 27

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close Mar. 27	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	2.92	2.60	2.62	65030	4.90	.20	3.95	1.75
Aconda	1	....	....	27	24½	26¼	273552	45	14½	47	23
Afton	1	....	....	1.58	1.55	1.56	10385	1.36	1.00	1.58	1.25
Algonquin	1	....	....	2¼	2	2¼	11800	5¼	2	3	2
Amity C.	.	....	....	33	30¾	32	33850	50	24½	44	24
Amulet	1	....	....	3.81	3.60	3.60	59389	7.10	.85	5.20	3.00
Apex	1	....	....	7	6¼	6½	64900	10	1	9	6¼
Area	1	....	....	.21¼	.20	.20	48800	1.95	.23	.32	.20
Argo. Con.	1	....	....	19½	16	17¼	210659	59	25	34	14⅞
Arno	.	....	....	23¼	21½	21½	23500	....	....	37	18¾
Atlas	1	....	....	3	2½	3	21100	7	2	4¼	2¼
Ankerite	.	....	....	.51	.50	.51	1000	1.25	1.15	1.23	.49
Bagamac	.	....	....	....	....	....	....	19	6	9	5
Baldwin	1	....	....	3	2½	3	35350	5½	1	3½	2
Barry Holl.	1	....	....	1.20	1.11	1.16	170695	1.50	.25	1.25	.73
Bathurst	.	....	....	28	26	28	56050	....	....	35	22
Beaver	1	....	....	1.70	1.51	1.62	46250	2.75	59½	2.25	1.51
Bedford	.	....	....	49½	45½	47½	63150	52	19	54	34
Bellellen L.	1	....	....	....	....	....	....	23¼	3	3½	2½
Bidgood	1	....	....	1.00	.86	.96	196000	1.83	.5	1.60	.61
Big Horn	.	....	....	36	36	36	1000	....	....	44	34
Boischatel	None	....	....	3¼	2¾	3	42600	27	3	5	2¾
Big Missouri	.	....	....	60	50	53	7700	....	....	90	50
B.C. Devel.	.	....	....	....	....	....	....	1.32	1.12	2.00	1.32
Buckingham	1	....	....	7¾	7	7	190300	9½	3	8⅛	4½
Cambro	.	....	....	41	40	40	4500	58	55	55	29
Can. Lorraine	1	....	....	13¼	11½	11½	11500	12	10	18½	11
Capitol S.	1	....	....	14⅜	13	13	1900	34	14	18½	13
Capitol R.	1	....	....	14½	13¼	14¼	202100	54½	10	18	12
Castle Tre.	1	....	....	59½	55	58½	11675	1.27	.61	.81½	.55
Cen. Man.	1	....	....	1.43	1.27	1.32	62730	2.30	1.07	1.95	1.27
Chaput H.	1	....	....	12	9⅞	12	34600	20	4⅜	18	8⅛
Clericy	.	....	....	31	26½	27	63625	31½	31	36	16
Clifton	1	....	....	1½	1	1½	22650	3½	½	2	1
Coast Copper	5	....	....	43¾	41	42½	4045	43¼	9¾	60	36
Col. Kirk.	1	....	....	4½	3	4	93500	16	1½	9½	3
Coniagas	5	....	....	4.95	4.80	4.90	1375	5.05	3.20	5.05	4.65
Coniaurum	6	....	....	5.00	4.80	4.93	542	5.78	2.80	5.50	4.10
Cons. Smelter	25	10+40	4.60	275	269	270	4565	274½	215	289½	251
Copper Hill	1	....	....	....	....	....	....	68	36	46	44
Corona	1	....	....	8¼	7	8¼	91000	37	10	16	7
Crown Res.	1	....	....	59½	53	55	103619	80	39	70	39
Cork Prov.	.	....	....	47	39	46¾	100000	....	....	47	39
Dexter	1	....	....	....	....	....	....	43	20	20	20
Dome Mines	None	$1	9.34	10.60	10.35	10.40	6990	14.60	6.85	13.35	10.35
Dom. Kirk.	1	....	....	3	2¾	2¾	20000	12½	1½	6½	2
Don. Rouyn	1	....	....	14	11	11	10200	56½	17½	22	11
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	8½	7	7¼	315200	21	19¼	12½	7
Dunkin	.	....	....	39	33	39	15500	....	....	55	33
Everett	1	....	....	2⅞	1½	2	8000	5½	1¼	3	1½
Federal Kirk.	1	....	....	67	60	65	29700	78	40	77	60
Fiske	1	....	....	....	....	....	....	30½	5	10	4
Goldale	1	....	....	33	32	32¾	18700	57½	20	44	30
Gold Hill	1	....	....	25	22	22¼	278750	54	22	38½	21
Gold Reef	1	....	....	1½	1¼	1½	3500	2½	1½	2	1
Goodfish	.	....	....	54¾	50	53	32750	....	....	78	41½
Granada R.	1	....	....	25	22	23¼	148190	41	14½	35½	20
Grover Daley	1	....	....	11	9½	10	42950	37	8	15	7
Grandview	.	....	....	87	60	75	88000	....	....	87	60
Harker	1	....	....	....	....	....	....	....	....	43	41
Harvie Exp.	None	....	....	.48	.35	.40	4900	2.40	.50	.85	.35
Hecla	1	....	....	....	....	....	....	....	....	1.24	.95
Hillcrest c.	100	6	9.23	....	....	....	....	65	50	65	65
Hillcrest, p.	100	7	7.77	....	....	....	....	90	81½	90	85
Hilltop	1	....	....	16¼	15	16½	32900	25	6½	23½	12
Hollinger	5	26	7.64	17.50	17.00	17.00	5172	22.65	16.40	18.10	16.95
Howey Gold	1	....	....	1.39	1.18	1.24	173925	1.78	.42	1.91	1.05
Hudson	None	....	....	17.60	17.00	17.00	8127	....	....	23.25	16.60
Indian	1	....	....	10	9½	9½	3000	12	4	15	5
Int. Nickel.	25	$2	2.19	98¼	90	91	103335	90¼	38	100	73¾
Jackson M.	1	....	....	82	74	77	102350	86	36	86	65
Keeley	1	8	12.50	.70	.57	.64	44280	1.66	.69	.72	.53
Keora M.	1	....	....	3	3	3	2000	13½	2	5	2½
Kirk. Hunt.	1	....	....	16⅞	15	15¼	36800	35½	10	26	15
Kirk. Lake.	1	....	....	2.15	1.89	2.06	148010	3.06	.82	2.75	1.50
Koot. Flor.	20c.	....	....	33	32	32½	62200	31	22	47	28
Kirk. Prem.	.	....	....	40	30	30	12500	....	....	40	30
La Rose	1	....	....	....	....	....	....	12	3	7	4
Lake Shore	1	40+10	2.08	24.50	23.10	24.00	2850	28.20	15.40	27.10	21.15
Lebel Ore	1	....	....	37	35	36	9200	66	30	59	26
Laval	1	....	....	21	18	18¼	135100	59	19½	28	18
Lorrain C.	1	....	....	1	½	1	3000	3¼	1	1⅛	½
Lorrain T. L.	1	....	....	....	....	....	....	86	52	30	30
Lucky Jim.	10c	....	....	42	33	42	5700	....	....	44	33
Macassa	1	....	....	44	40	42	63600	69	18	55½	37½
Malartic	1	....	....	1.50	1.14	1.37	750150	78	23½	1.50	.70
Marriott	1	....	....	23	22	22	1200	45	35	46	22
McDougall.	1	....	....	62½	55	56½	113100	90	24	74½	45
McKinley	1	....	....	18	16	16	12800	25½	11	20	16
McIntyre	5	20	3.70	27.15	27.00	27.15	1614	29.00	24.00	29.00	25.90
Mentor	10	....	....	....	....	....	....	14	12	13	13
Millcrest	1	....	....	9	8	8½	26800	15	2	12	8
Mining Corp.	5	25c.	....	3.67	3.50	3.55	17060	5.05	2.90	5.50	3.50
Moneta	1	....	....	....	....	....	....	15½	8¼	12	5
Montreal R.	1	....	....	....	....	....	....	35	10	16	6
Mint Ore	1	....	....	33¾	30	31	33200	....	....	38½	25
Mond Nickel	.	....	....	46	41	41	165	....	....	46½	31
Moss	1	....	....	50	50	50	2500	....	....	70	35
Murphy	1	....	....	41	35	35	12000	....	....	49¼	31
Monelk	.	....	....	....	....	....	....	....	....	15	15
Newbec	1	....	....	.42	.37½	.40½	75700	1.20	.62½	.66	.37½
Night Hawk	1	....	....	7½	6	6	20950	10½	4	10	5½
Nipissing	5	6	6.27	4.80	4.60	4.70	2810	10.30	5.25	6.00	4.60
Noranda	None	....	....	18.60	18.00	18.05	14364	25.80	19.95	23.85	17.20
Nat. P.&D.	.	....	....	7.00	6.00	6.00	11055	....	....	15.75	6.00
Ophir	1	....	....	3	3	3	500	4⅛	¾	3	1½
Osisko	.	....	....	.38	.37	.38	5150	1.75	.35	.64	.37
Picard	1	....	....	....	....	....	....	....	....	77	50
Pawnee Kirk.	1	....	....	55	50	50½	27700	78	54	80	40
P.L. Cobalt	1	....	....	24¼	20¼	24	58766	18	2	24¼	6
Porc. Crown	1	....	....	5	4	4½	12150	11	3	8	3
Pioneer	1	....	....	68	56½	62	384566	1.18	.45	.68	.48
Potter Doal	None	....	....	16	15	15	148500	65	10½	22	15
Porter Idaho	.	....	....	87½	80	86	10000	....	....	87½	80
Premier Gold	1	32c.	11.90	2.90	2.60	2.70	7595	2.50	1.86	3.50	2.15
Preston	1	....	....	....	....	....	....	7	3	5	3
Pend Ore	1	....	....	22.00	17.00	21.50	45795	....	....	25.50	8.00
Ribago	1	....	....	14½	10	10¼	264600	87	13	25	8½
Rouyn G.	1	....	....	....	....	....	....	4	2½	3	1½
Rouyn, Que.	1	....	....	....	....	....	....	4	1⅛	1½	1½
Rubec	1	....	....	....	....	....	....	3.65	.80	.80	.35
Realty & M.	None	....	....	27	25	26	67600	38	15	27	9½
Robb Mont'y	.	....	....	....	....	....	....	....	....	32	.29
Ruth Hope	.	....	....	60	60	60	500	....	....	60	60
San Antonio	None	....	....	40	36	37	68800	57	30	54½	35
Siscoe	1	....	....	55	49	53	5960	60	12	57	15
South Keora	1	....	....	8	6	6	1000	61½	4½	17¼	6
Stadacona	None	....	....	15¼	13	13	142450	55	13	21½	13
St. Anthony	1	....	....	40	37	40	3000	50	16	42	33
Sudbury M.	1	....	....	23	17½	17½	14900	....	....	33½	17½
Sylvanite	1	....	....	3.30	3.20	3.20	5300	4.80	2.60	3.90	3.20
Sherritt G.	1	....	....	7.35	7.10	7.24	68820	....	....	8.00	5.02
Sud. Basin	None	....	....	11.30	9.75	10.42	424940	....	....	12.00	5.25
Sunloch	1	....	....	4.25	3.50	4.00	920	....	....	6.50	3.00
Sud. Contact	1	....	....	48½	41½	46	147350	....	....	50	34
Teck Hughes	1	10+5	....	8.70	8.50	8.50	41475	....	....	10.80	8.20
Telluride	1	....	....	39	39	39	500	38	35	41	37½
Tough Oakes	1	....	....	57	54	55	110350	82	25	79	51
Towagmac	1	....	....	3.30	3.05	3.10	5400	5.75	2.85	4.10	2.80
Timiskaming	1	....	....	10	10	10	500	12	4	10¼	6
Treadwell Y.	1	....	....	28.25	26.00	27.00	800	26.75	18.50	32.00	24.75
Thom Cad.	.	....	....	....	....	....	....	....	....	62	57½
Thomp. Krist	1	....	....	1	1	1	500	2	½	1	1
Vickers	1	....	....	.72	.70	.70	2100	1.52	.25	1.25	.60
Vipond	1	....	....	.99	.68	.81	538564	1.74	.47	.99	.48
Wakenda	1	....	....	12	6	9	82300	16	1	15	6
West D. Lake	1	....	....	13	11	12½	36100	20	8	17½	10
Wiltsey C.	1	....	....	49	48	48½	6800	74	50	56	43½
Wright Har.	None	20c.	4.07	5.10	4.90	4.91	40908	8.45	5.50	6.80	4.09
Windfall R.	None	....	....	17	15	17	9100	31	19¼	25	11½
CALGARY OIL STOCKS											
Alta. Pac.	.	....	....	37	37	37	400	....	....	37	37
Brit. Dom.	.	....	....	27	25	25	540	....	....	27	25
Dalhousie	.	....	....	3.20	3.15	3.20	6138	....	....	3.20	3.15
Devenish	.	....	....	34	32	34	3714	....	....	34	32
Ill. Alta.	.	....	....	56	54	54	4565	....	....	56	54
McD. Segur Ex.	.	....	....	1.45	1.45	1.45	200	....	....	1.45	1.45
McD. Segur N	.	....	....	1.15	1.15	1.15	2320	....	....	1.15	1.15
McLeod	.	....	....	3.70	3.50	3.60	1462	....	....	3.70	3.50
Mill City	.	....	....	27	27	27	1300	....	....	27	27
Mid. West	.	....	....	35	35	35	645	....	....	35	35
Okalta	.	....	....	22	21	21	4	....	....	22	21
Royalite	.	....	....	48	45	48	119	....	....	48	45
Spooner	.	....	....	2.15	2.05	2.15	4313	....	....	2.15	2.05
United	.	....	....	1.15	1.12	1.12	285	....	....	1.15	1.12
Vulcan	.	....	....	3.03	3.03	3.03	275	....	....	3.03	3.03

Lake Maron Gold Gets New Ground

Lake Maron Gold Mines has secured an option on the Harry Bedford group of claims in the Boston Creek district, situated about half a mile east of the Goldhill property.

Lake Maron Gold Mines has discontinued operations on its property in Quebec and is now transporting its mining plant from that property to its new ground. Operations are to be proceeded with immediately.

Power, Mines Corporation Plans More Intensive Work

Power and Mines Corporation, through its directors, is making an effort to bring about a more intensive program under an improved technical and managerial staff. So it was stated at the recent annual meeting held in Montreal.

Sir F. O. W. Loomis, president of the company, in presenting the annual statement, gave a resume of the operations during the past year and outlined the program which it is proposed to carry out at the company's property, Grace Mine, Michipocoten District, during the coming year.

It has been arranged that W. E. Simpson will continue as consulting engineer, George W. McLeod as supervising and consulting engineer, and J. A. S. Roussac, as resident engineer.

The meeting expressed its approval of the efforts of the directors and staff, its satisfaction with the results already obtained, and confidence in the program laid down for future operations.

The following executive and directors were elected for the ensuing year: President, Sir F. O. W. Loomis; vice-pres., Granville Gilmore; sec.-treas., W. H. Perram; directors, Thos. Jones, R. A. Darwin, Napoleon G. Kirouac.

Rupert's Land Synd. Erect Camps at Big Rice Lake

Camps are being erected on the property of the Rupert's Land Mining Syndicate in preparation for the summer's work. The syndicate owns about 1,000 acres in the Big Rice Lake district about three miles from the San Antonio. It is a consolidation of three or four groups, on some of which a considerable amount of work has already been done. The syndicate plans to continue this work in the spring, stripping and locating veins. If the surface work substantiates the claims made for the property, plans will then be prepared for the installation of a mining plant.

Sladen Malartic Starts Survey of Properties

Sladen Malartic has started a survey of its four properties with a view to immediate development. Engineer Davis, who recently examined the properties, reported favorably on their geology and prospects. Two of the properties adjoin Malartic Mine on the west, and two on the north-east.

Sladen Malartic directors are: President, Lt.-Col. Austin B. Gillies, O.B.E.; vice-president, Lt.-Col. M. Macdowell, D.S.O.; managing director, B. Sladen; R. T. Shillington and Dr. J. W. Rutherford, M.P.

NEW BRUNSWICK MINE MINISTER TO SCAN OFFERS

New Legislation Provides for Control Over Prospectus

From Our Own Correspondent

Fredericton.—Every mining prospectus issued by an incorporated company in New Brunswick must have the approval of the Minister of Lands and Mines, according to an amendment to the New Brunswick Mining Act 1927, introduced in the Provincial Legislature by Hon. C. D. Richards, Minister of Lands and Mines. The approval of the minister is not to be cited, however, on the prospectus.

Introducing the bill in the Legislature Hon. Mr. Richards said it provided a penalty of cancellation of all rights held by any company guilty of non-observance. This action, he said, was taken in an effort to prevent what was known as "wild catting."

Another amendment will enable licensees to go upon private lands to bring in a water supply when bonds are put up to provide for payment of damages.

SISCOE EXPECTS TO PRODUCE SOON

Contract Let For Plant to be Ready For August

Siscoe Gold Mines will be in full production by next November, it is anticipated. The company reports that a contract has been let for the installation of an electrical power plant and a 100-ton cyanide plant for the treatment of ore. It is expected that the installation of this machinery will take about five months, and in the meantime development work is to be continued without interruption.

A statement issued by E. R. Cullity, of the Southwestern Engineering Corporation, who are installing the plant, says that "C" shaft is sunk on the dip of the vein at about 40 degrees and has reached a depth of 475 feet. Sinking to the 500-foot level is in progress and that point should be reached about April 1st. Drifts in the vein at the 150 and 300-foot levels have developed an ore shoot approximately 500 feet long with an average width of 3½ feet. The management has sampled this ore at five-foot intervals during the course of development, and the sampling and assay plan show 47,000 tons of ore above the 300-foot level with an average gold content of about $25.40 per ton. On the 400-foot level a station has been cut and it is the intention to drift on the ore at this and the 500-foot level just as soon as shaft sinking is completed to the latter. The vein in the shaft below the 300-foot level persists about four feet wide, but the quartz filling is less because the rake of the ore shoot has carried it northeast and out of the shaft.

It may be reasonably expected that the ore on the 400 and 500-foot levels, when opened up by drifting northeast, will equal in grade and width that proven in the levels above. Approximately 4,000 tons of lower-grade ore broken during development is on the surface in dumps at shaft "C" and available for milling. Costs, according to experimental testing, will be in the neighborhood of $9 to the ton, and 98 per cent. of the gold should be extracted from the ore by cyanidation.

Astoria Rouyn Strikes Copper-Bearing Ores

Astoria Rouyn Mines in its latest underground work has encountered bands of porphyry with which are associated small lenses of pyrrhotite with chalcopyrite. This mineralization so far from the main vein is considered a good feature by J. G. Sipprell, M.E., who is in charge of operations.

The company reports its new mining plant is now running smoothly and good progress is being made.

Bell Woman Lake Mines Take Over Syndicate Claims

The Bell Woman Lake Mines Company has been organized as a holding company to take over the properties of the Bell Woman Lake Syndicate. These consist of three groups of claims, the first of which, consisting of three claims, adjoins the Jackson-Manion on the west. No. 2 group of six claims adjoins the same property on the east, and No. 3 group of five claims is located at the Woman-Narrow Lake portage. Considerable surface work was done on the different groups last year and favorable values found. Further work will be done this season. The recently formed company is capitalized at $100,000.

Sudbury Lode Mines
Limited

Descriptive folder and map mailed on request

Telephones:
Private Branch Exchange
Adelaide 9077, 9078, 9079, 9070

D.A.Sherriff & Co.
Suite 308, Bank of Hamilton Building,
TORONTO, 2, ONTARIO.

King Fisher Sink Long Lake Shaft

King Fisher Gold Mines is carrying on shaft-sinking on its property near Long Lake, Central Manitoba. A crew of twelve men is engaged in sinking the shaft by hand steel. It is to be carried down to a depth of thirty feet when steam power will be available for further sinking.

Complete camp buildings have been erected and a compressor, boiler and supplies for this season, taken in. Cordwood and shaft timber are on the property.

McVittie-Graham Mines Will Make Public Issue

In spite of the enormous resources of nickel in the Sudbury district, this metal may take a second place to copper and other base metals. This transformation, which is being worked out rapidly at the properties of International Nickel Co., Mond Nickel and Treadwell Yukon, has an important bearing on the entire Sudbury area. It lends great potential merits to favorably located properties in the field that have not as yet been proven.

During the past two years a number of select properties have been acquired by a new group of interests, which have been consolidated into McVittie-Graham Mines, Ltd., with a capitalization of $500,000 preferred shares of $100 par value, and 5,000,000 common shares of $1 par value. The stock that goes to vendors for their respective properties will be tied up. While the head office will be in Sudbury, a Toronto mining house has assured financing of the undertaking.

The acreage taken over comprises 2,980 acres, in seven different groups, acquired because they possess important potential value. These groups are sporadically located over a distance of some 40 miles along the southern fringe of the economic body of norite of the Sudbury district, and each is geologically ideally located in association with this or one of its various offsets, for occurrence of mineral deposits of importance. One group is located in Creighton Township, while others are situated in Graham, Snider, Maclennan and Drury townships. Several of the properties are located favorably with respect to the ore zones of the two leading nickel-copper producers. Considerable exploration work done on the various properties has disclosed excellent mineralization, while one which has a shaft sunk was a shipper of metal during the war. It is understood that a diamond drilling campaign will be preliminary to development work under ground.

C.I.COULTER & CO.
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Promise Busy Season Around Narrow Lake

The Narrow-Woman-Clearwater Lake district promises to be a very busy camp this Summer. For the past month a great number of mining companies have been rushing in supplies prior to the Spring break-up. Companies operating at the present time, or which propose carrying on operations during the coming summer, include the Bathurst Mines, Dunkin, Lingrada, Metals Development, Jackson-Manion, Mint Ore, Rand Ore, Scranton Ontario, Coniagas, St. Louis Mines, Rainbow Lake Mines, Rouillard-Marchillodon, Picard, and Imperial Woman Lake.

Ribago Copper Corp. Seeks Sudbury Property

Ribago Copper Corporation, it is understood, is negotiating for a property in the Sudbury district. Results obtained on the company's Quebec property did not meet with the success anticipated and have been discontinued. The company is reported to have approximately $25,000 cash and over 1,500,000 shares in its treasury.

Rainbow Lake Sinks Shaft

Rainbow Lake Mines has put its shaft down to a depth of 65 feet by hand steel. A crew of eight men are working on the property and it is reported that the vein has widened from two feet at the surface to six feet at the bottom of the shaft. T. W. Bathurst, who recently visited the property, has brought samples with him to Toronto showing liberal sprinklings of free gold. Results of the assays are not yet available.

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WINNIPEG UNEMPLOYMENT SMALL

Less unemployment has been reported in Winnipeg this winter than in most previous years, due to improved business conditions, increased mining developments and the activities of the winter work committee of the board of trade.

BELGIUM BUYS MUSKRATS

Muskrats have been added to the furbearers to leave Canada to become foundation stock in other countries. Forty of these little animals have been shipped through the Canadian Pacific Express Co. to Belgium to become the nucleus of a fur industry.

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Kirk. Gold Belt
Kirk. Townsite
Lebel Lode
Mandy Mines
Marshay Zinc
Moffatt Hall
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BRITISH-CANADIAN PLAN BOND ISSUE TO RAISE FUNDS

Will Search Below the Porphyries for Concentration of Values

British Canadian Mines, Limited, propose resuming larger scale operations as soon as its present financing plans have been completed. The company's property is located at Mine Centre in the Fort Francis Mining Division of the Rainy River district. Operations were curtailed last summer owing to lack of finances. When the mine closed down, a shaft had been sunk to a depth of 850 feet, and work at this horizon totalled 600 feet. While the 850-foot level proved a blank, the vein was found to have increased to three times its width and length on the surface. The porphyries came in at the 400-foot level and were ten feet wide. The width increased with depth and was 40 feet on the 850-foot level. The gold-bearing veins were found to follow the porphyries down to depth, and to increase in width and length also. Lateral work was carried out on the 200, 400, 600, and 850-foot levels and ore opened up on all of these.

Commercial ore was found on the 200, 400 and 600.

With new funds available, to be raised by the issue of $500,000 mortgage bonds, the development plan will be to get below the porphyries where it is expected that a concentration of values will be found. This was Porcupine's experience.

A Boston house has taken up the bonds and paid $10,000 cash. The State Public Utilities Board of Massachusetts is expected to grant permission for the sale of the bonds in that state.

DEVELOPMENT CO. ERECTS BUILDINGS AT CLEARWATER L.

Company Will Work on Three Groups of Properties

Metals Development, Limited, has completed the construction of camp buildings to accommodate 25 men, on its No. 1 group at Clearwater Lake, north of the Rouillard-Marchilldon property. Sufficient equipment and supplies have been taken in to last to the end of June. Considerable progress has been made in surface exploration of the property that has been carried out during the past winter by a crew of some 15 men under the charge of Frederick M. Smith, B.Sc., M.E. Two new finds were made, one on the north side of the property where No. 4 vein was uncovered to a width of five feet. This was found to be well mineralized but as no assays have been made as yet, values are not obtainable. A likely looking break was also opened up on the southern part of the property and it, too, was found to be well mineralized.

Hold Three Groups

Metals Development, Limited holdings consist of three groups; No. 1, at Clearwater Lake, comprises 17 claims. No. 1 and 2 veins on this property were opened up at intervals for a distance of 1,300 feet and showings of fine free gold obtained in various places. Channel samples taken by J. W. Morrison, M.E., gave an average value of $18.50. No. 3 vein on the same property disclosed spectacular showings of free gold.

Discovery No. 1 consists of a basalt dike from 100 to 150 feet in width, cut with quartz stringers carrying spectacular gold. Mr. Morrison, in reporting on the property, states that the geology is similar to that of Manitoba.

Group No. 2 comprises 804 acres and lies north-east of the Bathurst group. The claims have only been surveyed to date, but it is proposed to carry surface work out on this property during the coming summer.

The company's No. 3 group is located in Sudbury about one and a half miles from the Marshay lead and zinc property. Precious Metals have located some promising galena veins here since the property was purchased on the recommendation of the company's field man.

ANOTHER MINE LOOMS ON COAST

Alexandria Gold Property Opening Out Well, Says Grant Mahood

Grant Mahood, of Anglo-London Securities, wires from the coast that he has just visited Alexandria Mines property up the coast. Alexandria Gold Mines is financing this operation. He says that he is more than satisfied with the property, and expresses the opinion that the property will develop into one of the important mines of British Columbia.

Excellent progress is being made with development. One machine is cutting in ore at the face of number one tunnel. The crosscut from number two tunnel has penetrated number one ore zone recently. It is heavily mineralized and looks good.

Mr. Mahood brought samples to Vancouver and will have them assayed. Superintendent Campbell has a shift of men working on surface and has found a new vein to the east of the present workings, which can be intersected by a crosscut from number two tunnel. He says it is a most encouraging showing.

The new wharf at the property is nearly completed, and steamers will be able to land right at the mine.

Sudbury Treasure Trove Is Name of New Company

S. J. Fitzgerald, president of Sudbury Diamond Drilling Company, D. Morin and R. W. Norrington, mine operators, have recently acquired copper zinc deposit situate about thirty miles north of Sudbury in the Township of Parkin, about three miles from the Canadian National Railway. Two copper, lead and zinc showings have already been discovered which have been channel sampled over a width of ten to fifteen feet and show commercial values.

Camps will be built to accommodate a good working crew and supplies are being ordered together with the necessary equipment. The total acreage acquired is over 2,000 acres and covers an entire area where there is a contact between the Kewatin schists and the sediments. The owners are incorporating a company to be known as the Sudbury Treasure Trove Mines, Ltd.

The reason that this name has been chosen is due to the fact that the Sudbury area is now being recognized as probably the richest mineralized section of the world, and the name is most appropriate.

Owns Three Seats

D. S. PATERSON, of D. S. Paterson & Co., Toronto, whose firm now controls three seats on the Standard Stock and Mining Exchange. Mr. Paterson recently bought the third at $100,000, the record price. Incidentally, one of his partners, Austin Campbell, only paid $12,000 for a seat about three years ago.

FINDING NEW ORE ON CORK-PROVINCE AIDS SLOCAN AREA

Information Secured Means Much For Other Properties Considered Worked Out

From Our Own Correspondent

NELSON, B.C.—Retention of W. L. Zeigler, technical man of Hecla Mining Co., Wallace, Idaho, to have charge of converting the mill of Cork-Province mine to a modern concentrator, just announced by W. H. Burgess, managing director, and current notices of application by Cork-Province Mines, for license to construct a storage reservoir on the south fork of Kaslo Creek for mine power purposes, are intimations of approaching completion of the equipping programme with respect to this old operator, which in the last six months has made such a comeback, due to the success of its quest for new ore in important quantity.

Mr. Zeigler designed both the Lucky Jim and Whitewater Mills, just completed, the newest in the Slocan. The old Cork-Province plant was not equipped to effectively recover zinc values, now an important factor in Kootenay mining prosperity, and selective flotation, it is understood, will be the keynote of the new flow-sheet. While making the mill in all essentials a new plant, Mr. Zeigler will increase its capacity 50 per cent., with treatment of 150 tons of ore a day the objective. Work of bringing into being the new plant will proceed to an early completion.

The reservoir advertised, which will have a capacity of 20 acre feet, is part of a hydro-electric power development costing $60,000, which will provide 500 h.p. at the lowest stage on the south fork. This all-year power replaces a waterwheel power on Ben-Hur Creek, which was available from six to eight months of the year only, to which in consequence mill operation was confined. The impounded water will flood one and a half acres, and will be diverted from the creek in proximity to the compressor-house. This development ends for all time the power scarcity that in the past has been this property's great handicap.

It was the reorganizing and refinancing accomplished about a year ago that gave the Cork-Province the chance to prove its continued worth. Securing of greater tonnage, so as to justify expenditure on a modern treatment plant, was its admitted object.

The mine, which is connected by a new wagon-road with its shipping point, Zwicky, five miles by rail from Kaslo, is located in a series of schists in which are interbedded parallel limestone bands, crossed at an angle by a system of fissures, also parallel, while there is also some cross-fracturing.

Search for ore was prosecuted throughout 1927, and is still continuing. The most important new discovery was the opening up on No. 3 level, along the strike of the central lime bed as it crosses the vein, of an ore body so far followed for 300 feet, five to six feet wide, carrying 9 to 10 ounces of silver, 10 per cent. lead, and lesser quantities of zinc, the zinc occurring separately. The work leading up to this discovery was laid out by Arthur Lakes, consulting engineer, from a study of the occurrences in the lime beds of the Lucky Jim and of the Whitewater. No raising has yet been done on this ore body, but No. 4 level has found and followed it for 60 feet to date, that giving 100 feet depth, while in No. 5, at a further depth of 150 feet, ore has been opened that appears to be the footwall of this ore body. Work is now proceeding to establish the real identity of this lowest ore. What raising from No. 3 may disclose is for the future, but the distance to the surface is 500 to 700 feet, and increases with penetration.

Where this ore body puts the mine in a new class is that it follows the lime bed instead of the vein, out of which it projects in both directions, unlike the others found, that are within the vein and follow its strike. Thus, its length is not yet determined, and is not necessarily confined within any particular limits.

From indications found, the question is arising of whether the first or outermost lime bed may have something of the same nature to reveal with development.

At all events, the tonnage has been found, and to-day the Cork-Province ranks as an outstanding mining proposition.

Originally the Cork was operated by a French syndicate, and the Province by H. Giegerich, of Kaslo. An important ore shoot occurring in both properties made consolidation logical, and the French interests were bought out in 1914 and incorporation effected. In 1915 the property was given new equipment and camp, and when metals were recovered it became a producer of some consequence.

Mining Inquiries

Premier Gold

As a subscriber, I take the liberty to ask for a report and your opinion as to the prospects of the "Premier Gold Mines, Ltd."

We consider Premier Gold Mines a speculation of merit. It gives an excellent yield; paying 32 cents per share per year.

Crown Reserve

As a subscriber to your valuable paper would you be good enough to give me some information in regard to Crown Reserve and Corona?

Crown Reserve is a promising speculation in good hands. Corona is a gamble as yet, but an honest effort is being made to make this a mine.

Bingo Mines

As a subscriber to your valuable paper, I would be glad to receive from you some information as to the present condition, or future prospects, of Bingo Mines Consolidated, located in Manitoba.

Our information is that the stock of Bingo Mines is worthless. This property was diamond drilled but no commercial ore was found.

Peace River Petroleum

A client of ours has 50 shares in Peace River Petroleum. Can you tell us if the company is still in existence, and if the stock is worth anything?

Peace River Petroleum went into liquidation two or three years ago and the stock is valueless. An effort is now being made to realize enough from the assets to assure a payment of fifty cents on the dollar to the company's creditors.

Old Colony

Will you be good enough to give me your opinion of "Old Colony Mines, Ltd." as a speculation? How does this proposition at 50c. a share compare with Flin Flon or Sherritt-Gordon at present prices?

Old Colony Mines is a speculation of promise. The company's holdings are large, consisting of 40 square miles adjoining the Buchans Mines, Newfoundland, operating by the American Mining and Smelting Co. Old Colony cannot very well be classed with Flin Flon or Sherrett Gordon, as it is a prospect, while the latter have proven ore bodies.

Alexandria Gold

I am a subscriber to your paper. I would like to know if you could give me any information as to the Alexandria Gold Mines, Ltd.

Alexandria Gold Mines is a holding company with diversified interests. It has properties located in the Kirkland Lake district, in Ben Nevis Township, in the Sudbury district, and in the Portland Canal, Philips Arm and Smithers districts in British Columbia. Its Philips Arm's interests comprise an option on 1,900,000 shares of the Alexandria Mining Co. We consider this company as a speculation with interesting possibilities. The stock of this company while speculative, holds an encouraging outlook for the future.

Consolidated Smelters

Would you be good enough to give me your opinion of the following mining stocks:

Consolidated Smelters, Indian Lorraine Limited, Rigabo, Argonaut, Arno, Ankerite.

Consolidated Smelters is one of the oustanding base metal operators of Canada. It is controlled by the C. P. R. and owns the Sullivan mine and is operating a number of other properties in British Columbia.

Ribago, Argonaut, and Arno are all speculations.

Ankerite is a producing gold mine in the Porcupine District. It has a proven ore body and is still developing.

We have no information on our files concerning Indian Lorraine. Could you give us further particulars of who is behind the property?

Salmo Malartic

I will be obliged if you can give me some information about the Salmo Malartic Mine. First, is the Salmo Malartic the same mine as the Malartic which is listed in the daily mining reports in the local papers? If not, why is the Salmo Malartic not listed. What are the shares worth and what are the prospects of the mine. Would you recommend it as an investment to one who cannot afford to speculate on a losing basis, but is willing to wait for returns. Any information you may be able to give me will be much appreciated.

Salmo-Malartic and Malartic are two different properties. Both have holdings in Malartic Township, Quebec. Salmo-Malartic also owns the Aspen silver mine near Salmo, B. C.

We cannot tell you why Salmo-Malartic is not listed. Possibly the company does not wish the stock to be listed.

Salmo-Malartic is a speculation. If you cannot afford to gamble it would be much better for you to invest in some proven mine that is in the dividend paying class.

English Brook Gold

Do you know anything about a mining stock called English Brooke? I believe it is not listed.

I respect your advice a great deal and although I am not trying to shift the responsibility on your shoulders, I am guided by it.

English Brook Gold Mining Company has a capitalization of 750,000 shares of $1 par value each. The property consists of 700 acres in the Betty Group, north of the Hole River, Lake Winnipeg mining district. The property was examined by J. C. Houston, M.E., when the shaft was down fifty feet. Mr. Houston reported that the property fully warranted exploration and recommended the installation of a plant that would permit the sinking of a shaft to a depth of 250 feet. We have had no recent information on this property.

Aconda

What is your opinion of Aconda Mines? Do you consider the stock has good chances for appreciation in value during the coming year?

Aconda is a fair speculation, operating in a well located block of ground in the Kamiskotia district.

Beardmore Gold

Could you give me any information regarding the Beardmore Mining Co., as to the location of their property, prospects, etc.?

Beardmore Gold Mines is located in the Nipigon Forest Reserve on the Canadian National Railway line running from Sudbury to Port Arthur. The company's property consists of a group of claims of 1,100 acres on which considerable surface work and diamond drilling has been carried out and encouraging values obtained. The property looks to have a fair chance.

Lightning River Gold

Would you please give me some information on Lightning River Gold Mines? What is the stock selling for? What are the prospects for the future?

Lightning River Gold stock is now selling at from three to five cents. Activity on the nearby Harker has revived interest in Lightning River to some extent and there is a probability of this interest growing, if sufficiently encouraging results are obtained at the Harker.

Lightning River Gold owns a group of 24 claims all of which are favorably located, but the properties are inactive at the present time.

Lebel Oro

I would like your opinion on the following mining stocks:—Lebel Oro, Montchatel Mines. I have noted your remarks on Lebel in the past issues. Do you think it a good buy under say 50c.?

We believe Lebel Oro will show appreciation if held over a period of time. Montchatel Mines is in good hands. It has four groups of properties consisting of 960 acres in all, two of which are situated in the Township of Boischatel, one in Montbray Township and the fourth in Dufresnoy. Work done to date has revealed some promising showings but no operations are being carried on at the present time.

McIntyre and Granada

After reading your valuable opinion on various mining stocks, may I presume so far as to ask your advice as to whether you consider Granada a "good buy"?

I have also bought McIntyre. What do you think of the prospects of these two mines?

As you are doubtlessly aware, McIntyre and Granada are two totally different propositions. McIntyre is a producer and dividend payer and is considered one of the most attractive mines in Porcupine camp. The purchase of McIntyre stock, therefore, may be regarded more in the light of an investment than a speculation.

Granada, on the other hand, is a gold prospect in N.W. Quebec with a considerable amount of merit. It is in good hands.

Moffat Hall

I have recently purchased one thousand shares of Moffat Hall Mining stock at 23 cents a share. In this connection, I would greatly appreciate your advising me as to the prospects of this investment as a speculation.

The possible date as to when the shares of this company may be expected to be listed, would prove interesting.

Moffatt-Hall is located in a promising geological section of the Kirkland Lake camps. It ties on to the Bidgood mine on the north-west and the Wood Kirkland, now under option to the Timmins interests, on the south-west. Diamond drilling is now being carried out on the property and recent reports are that very promising ore has been struck We consider this stock a promising speculation.

Application has been made for the listing of the stock.

A Good List

I would like to have your comments on the following list of mining stocks I am holding:

Mining Corporation,
Coniagas,
Howey,
Pioneer,
San Antonio,
Granada.

Your list of mining stocks is an excellent one, each of which possesses individual merit.

Mining Corporation is a dividend payer and in addition to its silver holdings in Cobalt and Sudbury, owns a large block of Hudson's Bay Miners and Smelters stock. Coniagas offers interesting possibilities because of its large interest in Coniarum which will soon be milling ore.

Howey and Pioneer are two speculations with substantial tonnages of proven ore.

San Antonio and Granada are promising prospects.

Woman Lake Gold

Will you kindly let me know if either of the following syndicates have anything of merit to recommend them as speculations aside from reflected possibilities created by reputed holdings somewhere in the vicinity of the Jackson Manion property:

Woman Lake Gold Centre Syndicate,
Bell Woman Lake Gold Syndicate.

Companies have been organized to take over the properties of Woman Lake Gold Centre Syndicate, and the Bell Woman Lake Gold Syndicate, as you may have gathered from articles which have appeared in The Financial Post. Both properties are gambles but are well located from a geological standpoint and some nice showings have been located on each. A great deal of development work is planned for the Narrow-Woman-Clear Water Lake section this summer and this will serve to provide some definite knowledge of the merits of this district.

Enterprise Consolidated

I would appreciate some information on Enterprise Consolidated. Where is its property located? Do you consider it a good buy?

Enterprise Consolidated Mining Company is a consolidation of several properties in the Kootenay district, British Columbia. It is a speculation with possibilities.

Lucky Jim

I have noticed in several issues of your paper that Lucky Jim stock is quoted around $40-$42 per share. I would appreciate any information you can give me regarding this company and its officers.

The quotation on Lucky Jim lead and zinc mine given by us was in cents not dollars. The Lucky Jim lead and zinc mine is located at Zincton, B. C. The business office of the company is 605 Empire St. Building, Spokane, Washington. Andrew G. Larson is president of the company and J. V. Cohlman, secretary-treasurer.

The Lucky Jim mill was scheduled to go into operation this week with an initial production of 100 tons a day which is to be increased to its full capacity, 300 tons a day. The stock of this company is considered a promising speculation in view of the fact that its capitalization is only $300,000 and it is said that this amount in actual cash was spent by former owners on the property.

Further Development Plans For N. B. Antimony Deposits

New Brunswick's antimony deposits are to be developed by a company to be known as the Antimony Smelting & Refining Company, Limited, with an authorized capitalization of $2,000,000 divided into two million shares of $1 each.

The company will have its head office at Lake George, where are located the antimony properties which it has taken over, and where it will carry on mining operations and, according to plans, also establish a smelting and refining plant.

The incorporators named in the formal notice are the solicitors of the promoters of the Company, which is being organized by interests headed by Brigadier-General Charles A. Smart, C.M.G., of Westmount, Quebec, president of the Canadian International Corporation, Limited, of Montreal. The syndicate some time ago secured an option on the antimony properties at Lake George, formerly held by the North America Antimony and Smelting Company, and recently made the first payment under the terms for taking over the property.

Kilmarnock Plans Extensive Operations

Kilmarnock Gem Lake Syndicate will carry out extensive surface operations on its property in the Slate Lake section of the Central Manitoba field this summer. Supplies and equipment have already been shipped in and a drive is being made to raise finances by the sale of units at $50 each. The capitalization of the syndicate is 3,000 units.

The Kilmarnock group consists of eight claims on the south-west shore of Gem Lake, the Ashmore group of six claims on the same break, and the Kiewell claim near the Gem Lake Mining Company's property. The syndicate also owns the Machree property.

A road is being cut at the present time from Lily Lake to Gem Lake by the syndicate.

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WITH RAILS LAID INTEREST REVIVES IN CHIBOUGAMAU

Area Near Lake Mistassini Wakes Up After 40 Years

The Chibougamau District of Quebec is the subject of an interesting report by J. B. Mawdsley of the Geological Survey, Federal Department of Mines.

Mr. Maudsley says there are indications of a renewal of interest in the mineral possibilities of the region around Chibougamau Lake, which is situated in the centre of the area between James Bay and the St. Lawrence River, about forty miles south of Lake Mistassini, in the Province of Quebec.

The first discoveries in this district were made in 1903 and created much interest, but the report of the Chibougamau Commission, published in 1911, was not optimistic and did not favor the building of a railroad into the region as proposed. It was found that although the country gave promise of reward to the prospector, faith in the possibilities of the deposits then known was not sufficiently strong to warrant the commission making a report in favor of the building of a railway to them.

Region is now Assessible

Since the publication of the report of the Chibougamau Commission, the Canadian National Railway has completed its line from Quebec to Cochrane and this has made the region more readily accessible. Other discoveries of sulphides carrying values in copper and gold have been made, and at least two of these showings have given substantial assay values in copper and gold. The area already prospected is confined to a belt some fifteen miles long by six miles wide immediately to the west of Chibougamau Lake; but mineralization is widespread and the geology of the region would indicate equally favorable ground in other parts.

North of Chibougamau Lake the region is underlain by an area of greenstone; immediately south of this and to the west of the lake is a belt of acid feldspathic rocks and related granitic intrusives which is followed to the southwest by another area of greenstone. Mineral discoveries have so far been confined to the acid feldspathic rocks or adjacent greenstones near the northern contact of the central intrusive belt. Prospecting is hampered by the standing forests, the heavy moss cover, and glacial drift. A few prospecting parties are known to be proceeding to Chibougamau, either to stake before the end of winter or to be on the spot for the opening of the prospecting season.

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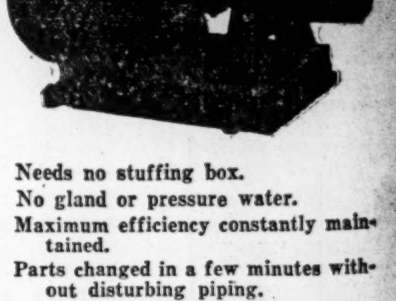

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